



**Silicon Valley Clean Energy Authority
Board of Directors Meeting**

Wednesday, May 8, 2024
7:00 pm

Cupertino Community Hall
10350 Torre Avenue
Cupertino, CA

Teleconference Meeting
Webinar:

<https://cityofcupertino.zoom.us/j/97168437524>

Telephone (Audio Only):
US: +1 669-900-6833
Webinar ID: 971 6843 7524

Tina Walia, Chair
City of Saratoga

George Tyson, Vice Chair
Town of Los Altos Hills

Elliot Scozzola
City of Campbell

Sheila Mohan
City of Cupertino

Zach Hilton
City of Gilroy

Sally Meadows
City of Los Altos

Rob Rennie
Town of Los Gatos

Evelyn Chua
City of Milpitas

Bryan Mekechuk
City of Monte Sereno

Yvonne Martinez Beltran
City of Morgan Hill

Pat Showalter
City of Mountain View

Larry Klein
City of Sunnyvale

Otto Lee
County of Santa Clara

Members of the public may also attend this meeting in person, or observe this meeting electronically by accessing the meeting via instructions above. Public Comments can be sent in advance of the meeting via email up to three hours before the meeting begins to Board Clerk Andrea Pizano at Andrea.Pizano@svcleanenergy.org and will be distributed to the Board of Directors. The public will also have an opportunity to provide comments during the meeting. Members of the public participating remotely and using Zoom may comment during public comment or the applicable agenda item by using the Raise Hand feature and you will be recognized by the Chair. Those using the telephone (audio only) feature should press star 9 on your phones to initiate the "Raise Hand" function in Zoom. You will then be announced, unmuted, and your time to speak will begin.

The public may provide comments on any matter listed on the Agenda. Speakers are customarily limited to 3 minutes each, however, the Board Chair may increase or decrease the time allotted to each speaker based on the number of speakers, the length of the agenda and the complexity of the subject matter. Speaking time will not be decreased to less than one minute.

If you are an individual with a disability and need a reasonable modification or accommodation pursuant to the Americans with Disabilities Act ("ADA") please contact Board Clerk Andrea Pizano at Andrea.Pizano@svcleanenergy.org prior to the meeting for assistance.

svcleanenergy.org

AGENDA

333 W El Camino Real
Suite 330
Sunnyvale, CA 94087

[Call to Order](#)



Tina Walia, Chair
City of Saratoga

Roll Call

George Tyson, Vice Chair
Town of Los Altos Hills

Elliot Scozzola
City of Campbell

Sheila Mohan
City of Cupertino

Zach Hilton
City of Gilroy

Public Comment on Matters Not Listed on the Agenda

The public may provide comments on any matter not listed on the Agenda provided that it is within the subject matter jurisdiction of SVCE. Speakers are customarily limited to 3 minutes each, however, the Board Chair may increase or decrease the time allotted to each speaker based on the number of speakers, the length of the agenda and the complexity of the subject matter. Speaking time will not be decreased to less than one minute.

Sally Meadows
City of Los Altos

Rob Rennie
Town of Los Gatos

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Yvonne Martinez Beltran
City of Morgan Hill

Pat Showalter
City of Mountain View

Larry Klein
City of Sunnyvale

Otto Lee
County of Santa Clara

Consent Calendar (Action)

- 1a) Approve Minutes of the April 10, 2024, Board of Directors Meeting
- 1b) Receive March 2024 Treasurer Report
- 1c) Receive FY24 Q2 Decarbonization Strategy and Programs Quarterly Report
- 1d) Authorize the Chief Executive Officer to Execute an Agreement with Rock Rabbit, Inc. to Pilot a Customer Incentive and Contractor Management Tool with a Not to Exceed Limit of \$190,000 for an 18-month Term
- 1e) Authorize the Chief Executive Officer to Execute a Long Form Resource Adequacy Agreement and any Ancillary Agreements for Resource Adequacy Capacity from High Desert Power Project, LLC
- 1f) Authorize the Chief Executive Officer to Execute an Agreement with Strategic Energy Innovations to Host Three Climate Corps Fellows with a Not to Exceed Limit of \$216,750 for the 2024-2025 Fellowship Cycle
- 1g) Authorize the Chief Executive Officer to Execute Engagement Letter with Hall Energy Law PC for Legal Services Related to Energy and Capacity Transaction Needs and Long-term Power Purchase Agreements
- 1h) Executive Committee Report
- 1i) 2024 Legislative Responses to Industry Transition Ad Hoc Committee Report
- 1j) California Community Power Report
- 1k) Additional Committee Reports

svcleanenergy.org

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Sunnyvale, CA 94087



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City of Mountain View

Larry Klein
City of Sunnyvale

Otto Lee
County of Santa Clara

Regular Calendar

- 2) CEO Report (Discussion)
- 3) Adopt Resolution Approving the Hanford Hybrid Plant Emissions Mitigation Guidelines (Action)
- 4) Authorize the Chief Executive Officer to Execute an Agreement with CLEAResult for the SVCE Commercial and Industrial Decarbonization Program with a Not to Exceed Limit of \$2,489,087 through December 31, 2027 (Action)

Board Member Announcements and Direction on Future Agenda Items

Public Comment on Closed Session

Closed Session

CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION
(California Government Code Section 54956.9(d)(1))

Name of case: Central Coast Community Energy, a California joint powers authority; Silicon Valley Clean Energy Authority, a California joint powers authority v. Big Beau Solar, LLC, et al, Santa Clara County Superior Court Case No. 22CV398156

Report from Closed Session

Adjourn

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SVCE GLOSSARY OF TERMS

BTM – Behind the Meter – Customer-sited resources which connect to the distribution system on the customer’s side of the utility’s meter. See also “DER”.

C&I – Commercial and Industrial – Business customers

CAISO – California Independent System Operator – a non-profit independent system operator that oversees the operation of the California bulk electric power system, transmission lines and electricity market generated and transmitted by its members (~80% of California’s electric flow). Its stated mission is to “operate the grid reliably and efficiently, provide fair and open transmission access, promote environmental stewardship and facilitate effective markets and promote infrastructure development. CAISO is regulated by FERC and governed by a five-member governing board appointed by the governor.

CALCCA – California Community Choice Association – Association made up of Community Choice Aggregation (CCA) groups which represents the interests of California’s community choice electricity providers.

CARB – California Air Resources Board – The CARB is charged with protecting the public from the harmful effects of air pollution and developing programs and actions to fight climate change in California.

CARE – California Alternate Rates for Energy Program – A monthly discount of 20% or more on gas and electricity. Participants qualify through income guidelines or if enrolled in certain public assistance programs.

CEC – California Energy Commission

CCCFA – California Community Choice Financing Authority – The California Community Choice Financing Authority (CCCFA) was established in 2021 with the goal to reduce the cost of power purchases for member community choice aggregators (CCAs) through pre-payment structures. The founding members of CCCFA include Central Coast Community Energy, East Bay Community Energy, Marin Clean Energy, and Silicon Valley Clean Energy. CCCFA is a Joint Powers Authority which can help member CCAs save up to 10% or more on power purchase agreements, helping reduce costs for ratepayers and increase available funding for local programs.

CC Power – California Community Power – California Community Power is a Joint Powers Agency comprised of nine CCAs. CC Power allows its member CCAs to combine their buying power to procure new, cost-effective clean energy and reliability resources to continue advancing local and state climate goals.

CP – Compliance Period – Time period to become RPS compliant, set by the **CPUC** (California Public Utilities Commission)

DA – Direct Access – An option that allows eligible customers to purchase their electricity directly from third party providers known as Electric Service Providers (ESP).

Demand – The rate at which electric energy is delivered to or by a system or part of a system, generally expressed in kilowatts (kW), megawatts (MW), or gigawatts (GW), at a given instant or averaged over any designated interval of time. Demand should not be confused with Load or Energy.

DR – Demand Response – An opportunity for consumers to play a significant role in the operation of the electric grid by reducing or shifting their electricity usage during peak periods in response to time-based rates or other forms of financial incentives.

DER – Distributed Energy Resource – A small-scale unit of power generation that operates locally and is connected to a larger power grid at the distribution level.

Distribution – The delivery of electricity to the retail customer’s home or business through low voltage distribution lines.

eHub – SVCE’s online customer resource center with the latest information on electric vehicles, home electrification, and solar and battery storage.

ERRA – Energy Resource Recovery Account – ERRA proceedings are used to determine fuel and purchased power costs which can be recovered in rates. The utilities do not earn a rate of return on these costs, and only recover actual costs. The costs are forecast for the year ahead. If the actual costs are lower than forecast, then the utility gives money back, and vice versa.

ESP – Energy Service Provider – An energy entity that provides service to a retail or end-use customer.

FERC – Federal Energy Regulatory Commission – Independent federal agency that regulates the interstate transmission of electricity, natural gas and oil. The CAISO is subject to FERC jurisdiction.

GHG – Greenhouse gas – water vapor, carbon dioxide, tropospheric ozone, nitrous oxide, methane, and chlorofluorocarbons (CFCs). A gas that causes the atmosphere to trap heat radiating from the earth. The most common GHG is Carbon Dioxide, though Methane and others have this effect as well.

GWh – Gigawatt-hour – The unit of energy equal to that expended in one hour at a rate of one billion watts. One GWh equals 1,000 megawatt-hours.

IOU – Investor-Owned Utility – A private electricity and natural gas provider.

IRA – Inflation Reduction Act

IRP – Integrated Resource Plan – A plan which outlines an electric utility’s resource needs in order to meet expected electricity demand long-term.

kW – Kilowatt – Measure of power where power (watts) = voltage (volts) x amperage (amps) and 1 kW = 1000 watts

kWh – Kilowatt-hour – This is a measure of consumption. It is the amount of electricity that is used over some period of time, typically a one-month period for billing purposes. Customers are charged a rate per kWh of electricity used.

LCR – Local (RA) Capacity Requirements – The amount of Resource Adequacy capacity required to be demonstrated in a specific location or zone.

LCFS – Low Carbon Fuel Standard – A CARB program designed to encourage the use of cleaner low-carbon fuels in California, encourage the production of those fuels, and therefore, reduce greenhouse gas emissions.

Load – An end use device or customer that receives power from an energy delivery system. Load should not be confused with Demand, which is the measure of power that a load receives or requires. See Demand.

LSE – Load-serving Entity – Entities that have been granted authority by state, local law or regulation to serve their own load directly through wholesale energy purchases and have chosen to exercise that authority.

- MMT – Million Metric Tonnes** – Common unit of measurement in regulatory and policy space for California’s GHG emissions.
- MAWG** – Member Agency Working Group, a group of PIOs from SVCE’s member communities that gather monthly
- MW – Megawatt** – measure of power. A megawatt equals 1,000 kilowatts or 1 million watts.
- MWh – Megawatt-hour** – measure of energy
- NEM – Net Energy Metering** – A program in which solar customers receive credit for excess electricity generated by solar panels. The main differences between NEM and FIT programs are the type of rate (flat vs. dependent on time-of-day generation), number of meters required (two vs. one), and flexibility (long-term contract vs. non-binding program enrollment).
- PCC1 – RPS Portfolio Content Category 1** – Bundled renewables where the energy and REC are dynamically scheduled into a California Balancing Authority (CBA) such as the CAISO. Also known as “in-state” renewables
- PCC2 – RPS Portfolio Content Category 2** – Bundled renewables where the energy and REC are from out-of-state and not dynamically scheduled to a CBA.
- PCC3 – RPS Portfolio Content Category 3** – Unbundled RECPSPS – **Public Safety Power Shutoff** – An event in which the IOUs purposely turn off segments of the grid due to high risk of ignition and wildfires.
- PCIA or “exit fee”** – Power Charge Indifference Adjustment (PCIA) is an “exit fee” based on stranded costs of utility generation set by the California Public Utilities Commission. It is calculated annually and assessed to customers of CCAs and paid to the IOU that lost those customers as a result of the formation of a CCA.
- Power Content Label (PCL)** – A user-friendly way of displaying information to California consumers about the energy resources used to generate the electricity they sell, as required by AB 162 (Statute of 2009) and Senate Bill 1305 (Statutes of 1997).
- PPA – Power Purchase Agreement** – A contract used to purchase the energy, capacity and attributes from a renewable resource project.
- Prepay** – payment in advance by a municipal utility for a number of years of contracted energy, and this prepayment with tax-exempt debt
- RA – Resource Adequacy** – Under its Resource Adequacy (RA) program, the California Public Utilities Commission (CPUC) requires load-serving entities—both independently owned utilities and electric service providers—to demonstrate in both monthly and annual filings that they have purchased capacity commitments to contribute their share of system reliability. Today LSEs must procure no less than 115% of the peak hour load. In 2023 and 2024, this will increase to 116% and 117% respectively. Beginning in 2025 a new RA program will be implemented requiring LSEs show capacity to meet their hourly reliability needs, the “PRM” adder is still undetermined.
- RE – Renewable Energy** – Energy from a source that is not depleted when used, such as wind or solar power.
- REC – Renewable Energy Certificate** – A REC is the property right to the environmental benefits associated with generating renewable electricity. For instance, homeowners who generate solar electricity are credited with 1 solar REC for every MWh of electricity they produce. Utilities obligated to fulfill an RPS requirement can purchase these RECs on the open market.
- RPS – Renewable Portfolio Standard** – Law that requires CA utilities and other load serving entities (including CCAs) to provide an escalating percentage of CA qualified renewable power (culminating at 33% by 2020) in their annual energy portfolio.

SB 100 – California Senate Bill 100 established a landmark policy requiring renewable energy and zero-carbon resources supply 100 percent of electric retail sales to end-use customers by 2045.

SMUD – Sacramento Municipality Utility District

SCE – Southern California Edison

SDG&E – San Diego Gas & Electric

TOB – Tariff On-bill – Tariff On-Bill Financing is a model in which utilities use a tariff to enable customers to pay back the cost of a solar panel without credit or income level conditions.

TOU – Time-of-Use Rates – The pricing of delivered electricity based on the estimated cost of electricity during a particular time-block. Time-of-use rates are usually divided into three or four time-blocks per 24 hour period (on-peak, midpeak, off-peak and sometimes super off-peak) and by seasons of the year (summer and winter). Real time pricing differs from TOU rates in that it is based on actual (as opposed to forecasted) prices that may fluctuate many times a day and are weather sensitive, rather than varying with a fixed schedule.

Unbundled RECs – Renewable energy certificates that verify a purchase of a MWH unit of renewable power where the actual power and the certificate are “unbundled” and sold to different buyers.

VPP – Virtual Power Plant – A cloud-based energy supply made up of a collection of an aggregation of distributed energy resources (DERs), such as smart EV chargers, smart thermostats, building energy management systems, battery storage systems, solar PV and smart inverters.

24/7 – Goal of supplying consumer energy demand with 100% carbon-free energy at all hours of the day



Silicon Valley Clean Energy Authority
Board of Directors Meeting
Wednesday, April 10, 2024
7:00 pm

Cupertino Community Hall
10350 Torre Avenue
Cupertino, CA

Administrative Conference Room, Gilroy City Hall
7351 Rosanna St.
Gilroy, CA 95020

1101 Sunset Dr.
Broomfield, CO 80020

DRAFT MEETING MINUTES

Call to Order:

Chair Walia called the meeting to order at 7:00 p.m.

Roll Call

Present:

Tina Walia (Chair), Saratoga
George Tyson (Vice Chair), Los Altos Hills (participated remotely)
Elliot Scozzola, Campbell
Sheila Mohan, Cupertino
Zach Hilton, Gilroy (participated remotely)
Sally Meadows, Los Altos
Rob Rennie, Los Gatos
Bryan Mekechuk, Monte Sereno
Yvonne Martinez Beltran, Morgan Hill
Pat Showalter, Mountain View
Murali Srinivasan, Sunnyvale

Absent:

Evelyn Chua, Milpitas
Otto Lee, Santa Clara County

Public Comment on Matters Not Listed on the Agenda

No speakers.

Consent Calendar

There were no questions or comments from the Board; there were no requests from the public to speak on any matter on the Consent Calendar.

- 1b) Receive February 2024 Treasurer Report
- 1c) Adopt Resolution Approving Amended Conflict of Interest Code to Amend Two Position Titles and Add Position of Director of Regulatory, Policy and Planning
- 1d) Authorize the Chief Executive Officer to Execute a Three-Year Agreement with Bellawatt for the SVCE eHub, Online Customer Resource Center for a Total Not-to-Exceed \$667,500
- 1e) Authorize the Chief Executive Officer to Execute Agreement Amendment with ev.energy for GridShift: EV Charging Program to Add \$250,000 For an Additional One-Year Term
- 1f) Approve Resolution Authorizing the Chief Executive Officer to Execute Master Agreement with Dynasty Power Inc. to Enable the Execution of Energy Transactions
- 1g) Receive Update on the California Electric Vehicle Infrastructure Project 1.0 (CALeVIP) Program Budget Reallocation
- 1h) Receive Updates to Street Light (SL) and Traffic Control (TC) Rate Components
- 1i) California Community Power Report
- 1j) Additional Committee Reports

MOTION: Director Mohan moved and Director Martinez Beltran seconded the motion to approve the Consent Calendar, Items 1a through 1j.

The motion carried unanimously with Directors Chua and Lee absent.

Regular Calendar

2) CEO Report (Discussion)

Chair Walia introduced SVCE's new CEO, Monica Padilla, who reported the following:

- 1) Introduction to SVCE's newest team members: 1) Oswaldo Martinez, Senior Programs Specialist, and 2) Michael Callahan, General Counsel; both provided brief comments;
- 2) Recognition of Trisha Ortiz, General Counsel, for her service to SVCE, as she would no longer be attending meetings;
- 3) Announcement of the promotion of Raul Hernandez from Senior Marketing Specialist to Marketing Lead, and Maren Wenzel, promoted from Senior Manager of Policy and Regulatory Analysis to Director of Regulatory, Policy and Planning;
- 4) Announcement of the Victory Pass project achieving Commercial Operation for Delivery (COD) March 29, 2024,
- 5) Pamela Leonard, Deputy Director of Marketing and Communications, provided an update on Earth Month activities; and
- 6) Addressed the new format for future agenda items included in the written CEO report of the agenda packet.

3) Study Session: Decarbonization Programs and Policy Overview of Residential Electric Vehicles and Charging (Discussion)

Justin Zagunis, Director of Decarbonization Programs and Policy, and Hannah Gustafson, Senior Programs Specialist, presented information on residential electric vehicles and charging. Contents of the presentation included SVCE emission statistics, residential vehicle and EV charging trends, and program highlights.

Board members and staff engaged in discussion on EV charger maintenance, charger time limits, data used to identify where to invest in additional chargers, residential vs. commercial charging, SVCE's FutureFit Assist program, SVCE staff connecting with member agency Community Development Departments, emissions reductions, early EV adopters, SVCE's Gridshift app, and EV charger reliability.

Chair Walia opened Public Comment.

Bruce Karney thanked Staff for their presentation and commented on the following: if we want to increase the number of charging stations, then charging needs to be an attractive business to be in, price sensitive customers who are interested in knowing the cost of charging in various locations, and where fast chargers should be located.

Chair Walia closed Public Comment.

4) Study Session: Update on Load Forecasting Efforts (Discussion)

Maren Wenzel, Director of Regulatory, Policy and Planning and Jessica Feng, Power Resources Planner, presented information on load forecasting efforts which included key terms, why we forecast, how we forecast, current forecast results and planned next steps.

Board members and staff engaged in discussion on artificial intelligence (AI), checking accuracy of prior forecast assumptions, photovoltaics (PV) forecasting numbers, information sharing on growth within member agencies, and microgrid forecasting.

Chair Walia opened Public Comment.

No speakers.

Chair Walia closed Public Comment.

5) Building Electrification Policy Update (Informational)

Zoe Elizabeth, Deputy Director of Decarbonization Programs and Policy, presented an update on permit modernization and building decarbonization including information on resources available to member agencies and a status update on member agency staff meetings and development of action plans.

Staff responded to questions and comments regarding ideas gathered from meetings with member agency staff and reach codes.

Chair Walia opened Public Comment.

No speakers.

Chair Walia closed Public Comment.

Board Member Announcements and Future Agenda Items

Director Mohan announced an Earth and Arbor Day event in Cupertino on Saturday, April 20, 2024 from 11:00a.m. – 3:00p.m.

Director Scozzola announced the City of Campbell would also be hosting an Earth Day event on Saturday, April 20, 2024.

Director Martinez Beltran announced the City of Morgan Hill's Earth Day event would occur Saturday, April 20, 2024, and would have a strong youth presence who helped organize the event in addition to AAUW.

Adjourn

Chair Walia adjourned the meeting thanking General Counsel Ortiz for her service at SVCE at 9:00 p.m.

ATTEST:

Andrea Pizano, Board Secretary



TREASURER REPORT

**Fiscal Year to Date
As of March 31, 2024**

(Preliminary & Unaudited)

Issue Date: May 8, 2024

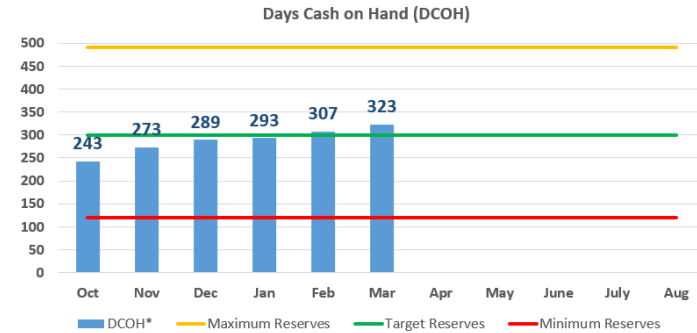
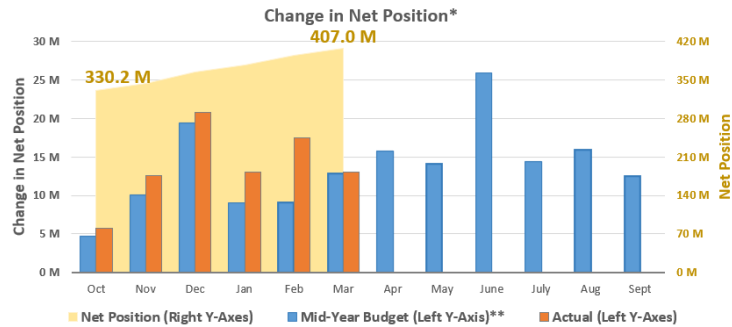
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SILICON VALLEY CLEAN ENERGY AUTHORITY
Financial Statement Highlights* (\$ in millions)
March 31, 2024

Balance Sheet Highlights:

- > SVCE operations resulted in a change in net position of \$13.1 million for the month of March and \$82.5 million for fiscal-year-to-date (FYTD).*
- > Total Net Position increased further to \$407 million.
- > SVCE is investing ~96% of available funds generating FYTD interest/dividend income of over \$10.6 million.



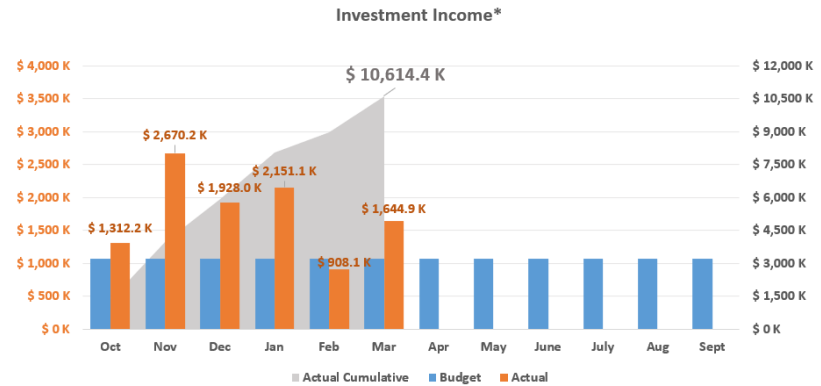
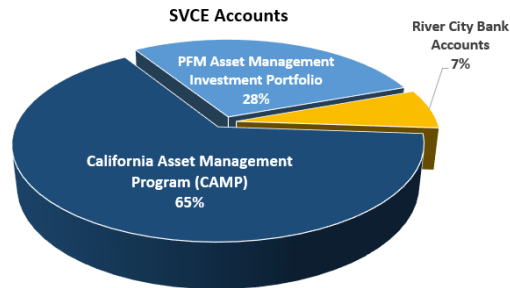
*Does not yet recognize unspent program dollars
 **For reconciliation purposes, budget numbers include actual program expenses and depreciation, excludes GASP 87 expenses.

*Adjusted to reflect the Mid-Year Budget (approved in March 2024) revisions

SVCE Yield-bearing Accounts:

Combined Ending Balance*	379.7 M
Total Interest/Div. Earned FYTD	10.6 M
Average Return On Investments**	5.3%

* Includes River Bank accounts - Money Market, Collateral and ICS; CAMP; PFM Portfolio
 ** Average annualized Yield for the current month



*Includes investment income from SVCE Yield-bearing accounts plus interest on cash collateral

SILICON VALLEY CLEAN ENERGY AUTHORITY Financial Statement Highlights** (\$ in millions) March 31, 2024

Summary of Actual Results vs. Adjusted Budget (includes allocated but unspent program dollars):

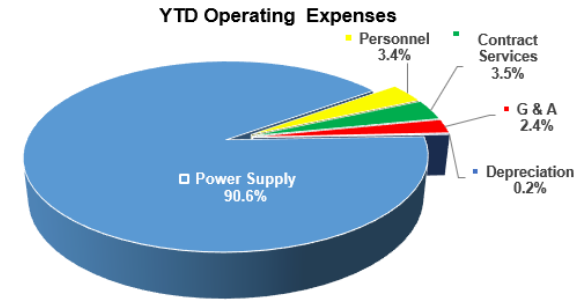
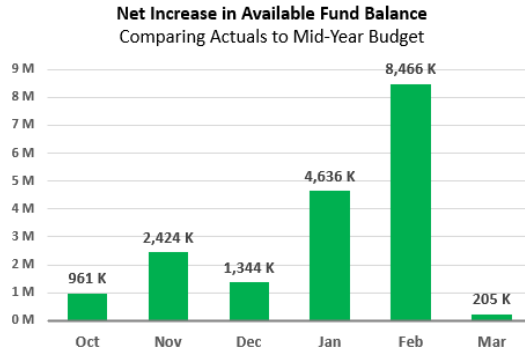
- > FYTD operating margin of \$88.8million or 35.4% is above the Mid-Year budget expectations of 31.7% operating margin for the fiscal year to date.
- > FYTD Power Supply costs are -4.2% below Mid-Year budget.
- > Retail GWh sales for the month of March and FYTD landed 0.6 % and 0.5 % above Mid-Year budget respectively.

Variance Explanation:

October - December - mainly reflects lower operating expenses and higher investment income as revenue and power supply cost were actualized during the Mid-Year budgeting.

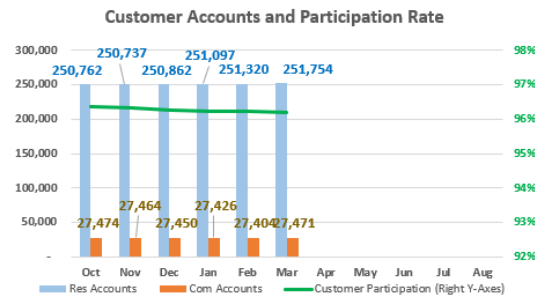
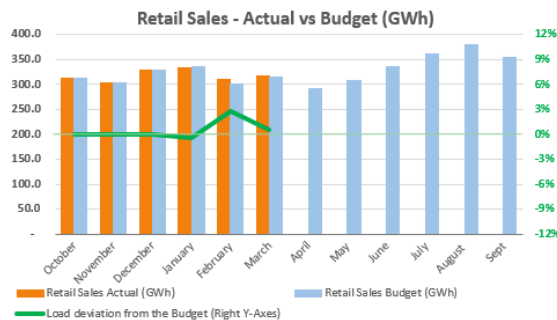
January - February - customer demand/revenues slightly above SVCEs mid-year forecast, while lower power supply cost and other operating expenses combined with higher interest income elevated the net position.

March - 1% lower revenues and 1% higher power supply cost were fully offset by operational cost savings and higher interest income.



\$ in thousands	March			Fiscal YTD			Main Drivers:
	Actual	MY Budget	% Dif	Actual	MY Budget	% Dif	
Revenue	40.1 M	40.7 M	-1.3%	250.9 M	247.7 M	1.3%	<ul style="list-style-type: none"> • Customer load for March and FYTD was in-line with Mid-Year Budget • Lower YTD costs for environmental products and resource adequacy combined with higher CRR revenue. • Staffing vacancies, underrunning professional services, and lower marketing expenses • Reflects higher Interest Income • Reflects budgetary transfers to program and other funds
Power Supply Cost	25.5 M	25.3 M	0.9%	162.1 M	169.2 M	-4.2%	
Operating Margin	14.6 M	15.3 M	-4.9%	88.8 M	78.5 M	13.1%	
Operating Expenses (ex Power)	2.4 M	2.8 M	-13.0%	12.7 M	15.5 M	-18.3%	
Other Non-Op. Expen. (Income)	-1.7 M	-1.1 M	56.4%	44.0 M	49.0 M	-10.0%	
Net Increase in Available Fund Balance	13.8 M	13.6 M	1.5%	32.1 M	14.1 M	128.2%	

Customer Load Statistics:



Total Accounts	279,225
Opt-Out Accounts (Month)	49
Opt-Out Accounts (FYTD)	360
Opt-Up Accounts (Month)	(8)
Opt-Up Accounts (FYTD)	(73)

Program Funds:

	Beginning Balance	End Balance	YTD Contributions	YTD Expenditures
General Program Fund	\$ 56,617,120	\$ 84,586,861	\$ 31,062,000	\$ 3,092,259
CRCR Fund*	\$ 5,483,032	\$ 8,720,290	\$ 4,300,000	\$ 1,752,992
Electrification Discount Fund	\$ 9,446,460	\$ 9,305,782	\$ -	\$ 140,678
Building Fund	\$ -	\$ 20,000,000	\$ 20,000,000	\$ -

*Customer Relief and Community Resilience Fund

** The financial results in this report are preliminary and subject to change pending closing of the books for the fiscal year. Any potential changes are not expected to be significant.

SILICON VALLEY CLEAN ENERGY AUTHORITY

STATEMENT OF NET POSITION
As of March 31, 2024

ASSETS

Current Assets

Cash & Cash Equivalents	\$ 291,185,110
Accounts Receivable, net of allowance	36,157,957
Investments	30,545,528
Accrued Revenue	27,967,502
Other Receivables	3,394,856
Prepaid Expenses	2,163,053
Deposits	2,992,898
Restricted cash	165,717

Total Current Assets **394,572,621**

Noncurrent assets

Capital assets, net of depreciation	418,910
Investments	78,708,189
Lease asset, net of amortization	601,875
Deposits	45,130

Total Noncurrent Assets **79,774,104**

Total Assets **474,346,725**

LIABILITIES

Current Liabilities

Accounts Payable	1,784,283
Accrued Cost of Electricity	36,077,892
Other accrued liabilities	1,921,706
User Taxes and Energy Surcharges due to other gov'ts	1,445,327
Supplier securit deposits	375,000
Lease liability	521,623

Total Current Liabilities **42,125,831**

Noncurrent Liabilities

Supplier security deposits	25,053,125
Lease liability	138,620

Total noncurrent liabilities **25,191,745**

Total Liabilities **67,317,576**

NET POSITION

Net investment in capital assets	360,542
Restricted for security collateral	165,717
Unrestricted (deficit)	406,502,890
Total Net Position	\$ 407,029,149

SILICON VALLEY CLEAN ENERGY AUTHORITY

STATEMENT OF NET POSITION
As of March 31, 2024

ASSETS

Current Assets

Cash & Cash Equivalents	\$ 291,185,110
Accounts Receivable, net of allowance	36,157,957
Investments	30,545,528
Accrued Revenue	27,967,502
Other Receivables	3,394,856
Prepaid Expenses	2,163,053
Deposits	2,992,898
Restricted cash	165,717

Total Current Assets 394,572,621

Noncurrent assets

Capital assets, net of depreciation	418,910
Investments	78,708,189
Lease asset, net of amortization	601,875
Deposits	45,130

Total Noncurrent Assets 79,774,104

Total Assets 474,346,725

LIABILITIES

Current Liabilities

Accounts Payable	1,784,283
Accrued Cost of Electricity	36,077,892
Other accrued liabilities	1,921,706
User Taxes and Energy Surcharges due to other gov'ts	1,445,327
Supplier securit deposits	375,000
Lease liability	521,623

Total Current Liabilities 42,125,831

Noncurrent Liabilities

Supplier security deposits	25,053,125
Lease liability	138,620

Total noncurrent liabilities 25,191,745

Total Liabilities 67,317,576

NET POSITION

Net investment in capital assets	360,542
Restricted for security collateral	165,717
Unrestricted (deficit)	406,502,890
Total Net Position	<u>\$ 407,029,149</u>

SILICON VALLEY CLEAN ENERGY AUTHORITY

**STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION**

October 1, 2023 through March 31, 2024

OPERATING REVENUES

Electricity Sales, Net	\$ 249,788,723
GreenPrime electricity premium	997,643
Liquidated damages	75,000
Other income	23,190
TOTAL OPERATING REVENUES	<u>250,884,556</u>

OPERATING EXPENSES

Cost of Electricity	162,077,470
Contract services	6,270,779
Staff compensation and benefits	6,011,133
Other operating expenses	4,275,677
Depreciation	318,166
TOTAL OPERATING EXPENSES	<u>178,953,225</u>
OPERATING INCOME(LOSS)	<u>71,931,331</u>

NONOPERATING REVENUES (EXPENSES)

Interest Income	10,614,444
Financing costs	<u>(52,441)</u>
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>10,562,003</u>

CHANGE IN NET POSITION

	82,493,334
Net Position at beginning of period	<u>324,535,815</u>
Net Position at end of period	<u>\$ 407,029,149</u>

SILICON VALLEY CLEAN ENERGY AUTHORITY

STATEMENT OF CASH FLOWS
October 1, 2023 through March 31, 2024

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers	\$ 271,203,142
Receipts of security deposits	32,260,840
Other operating receipts	12,190
Payments to suppliers for electricity	(211,792,811)
Payments of security deposits	(720,000)
Payments for other goods and services	(11,798,789)
Payments for staff compensation and benefits	(5,970,362)
Tax and surcharge payments to other governments	(4,502,191)
Net cash provided (used) by operating activities	<u>68,692,019</u>

CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES

Finance costs paid	<u>(52,441)</u>
Net cash provided (used) by financing activities	<u>(52,441)</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Payments of lease liability	(259,410)
Acquisition of capital assets	<u>(83,736)</u>
Net cash provided (used) by capital and related financing activities	<u>(343,146)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of investments	(50,074,686)
Proceeds from investment sales	32,986,536
Investment income received	<u>9,448,040</u>
Net cash provided (used) by investing activities	<u>(7,640,110)</u>

Net change in cash and cash equivalents	60,656,322
Cash and cash equivalents at beginning of year	<u>230,694,505</u>
Cash and cash equivalents at end of period	<u>\$ 291,350,827</u>

Reconciliation to the Statement of Net Position

Cash and cash equivalents (unrestricted)	\$ 291,185,110
Restricted cash	165,717
Cash and cash equivalents	<u>\$ 291,350,827</u>

SILICON VALLEY CLEAN ENERGY AUTHORITY

STATEMENT OF CASH FLOWS (Continued)
October 1, 2023 through March 31, 2024

**RECONCILIATION OF OPERATING INCOME (LOSS) TO NET
CASH PROVIDED (USED) BY OPERATING ACTIVITIES**

Operating Income (loss)	\$ 71,931,331
Adjustments to reconcile operating income to net cash provided (used) by operating activities	
Depreciation expense	318,166
(Increase) decrease in accounts receivable	13,731,436
(Increase) decrease in other receivables	1,503,126
(Increase) decrease in accrued revenue	2,464,620
(Increase) decrease in prepaid expenses	(809,876)
(Increase) decrease in current deposits	22,609,581
Increase (decrease) in accounts payable	(1,069,311)
Increase (decrease) in accrued cost of electricity	(42,953,530)
Increase (decrease) in accrued liabilities	294,184
Increase (decrease) in energy settlements payable	426,890
Increase (decrease) in taxes and surcharges due to other governments	(281,473)
Increase (decrease) in supplier security deposits	526,875
Net cash provided (used) by operating activities	<u>\$ 68,692,019</u>

SILICON VALLEY CLEAN ENERGY AUTHORITY
BUDGETARY COMPARISON SCHEDULE
October 1, 2023 through March 31, 2024

	FYTD <u>Actual</u>	FYTD <u>Mid-Year Budget</u>	Variance <u>\$</u>	<u>%</u>	FY 2023-24 <u>Mid-Year Budget</u>	FY 2023-24 <u>Remaining Budget</u>
OPERATING REVENUES						
Energy Sales	\$249,788,723	\$246,807,792	\$2,980,931	1.2%	\$550,852,000	\$301,063,277
Green Prime Premium	997,643	835,779	\$161,864	19.4%	1,962,000	964,357
Other Income	98,190	25,000	73,190	292.8%	50,000	(48,190)
TOTAL OPERATING REVENUES	250,884,556	247,668,571	3,215,985	1.3%	552,864,000	301,979,444
ENERGY EXPENSES						
Power Supply	162,077,470	169,153,856	(7,076,386)	-4%	365,617,000	203,539,530
Operating Margin	88,807,086	78,514,715	10,292,371	13%	187,247,000	98,439,914
OPERATING EXPENSES						
Data Management	1,560,992	1,706,250	(145,258)	-9%	3,413,000	1,852,008
PG&E Fees	596,696	735,000	(138,304)	-19%	1,470,000	873,304
Salaries & Benefits	6,011,133	6,840,450	(829,317)	-12%	14,818,000	8,806,867
Professional Services	2,342,407	4,105,238	(1,762,831)	-43%	8,210,000	5,867,593
Marketing & Promotions	495,660	624,750	(129,090)	-21%	1,250,000	754,340
Notifications	119,335	157,500	(38,165)	-24%	315,000	195,665
Lease	264,907	275,625	(10,718)	-4%	551,000	286,093
General & Administrative	1,270,868	1,045,643	225,225	22%	2,091,000	820,132
TOTAL OPERATING EXPENSES	12,661,998	15,490,456	(2,828,458)	-18%	32,118,000	19,456,002
OPERATING INCOME/(LOSS)	76,145,088	63,024,259	13,120,829	21%	155,129,000	78,983,912
NON-OPERATING REVENUES						
Investment Income	10,614,444	6,433,633	4,180,811	65%	12,867,000	2,252,556
TOTAL NON-OPERATING REVENUES	10,614,444	6,433,633	4,180,811	65%	12,867,000	2,252,556
NON-OPERATING EXPENSES						
Financing	44,009	1,500	42,509	2834%	3,000	(41,009)
CAPITAL EXPENDITURES, TRANSFERS, & OTHER						
Capital Outlay	79,587	25,000	54,587	218%	50,000	(29,587)
Transfer to Programs Fund	28,874,000	28,874,000	-	0%	28,874,000	-
Nuclear Allocation	2,188,000	2,188,000	-	0%	2,188,000	-
Transfer to Building Fund	20,000,000	20,000,000	-	0%	20,000,000	-
Transfer to CRCR Fund	4,300,000	4,300,000	-	0%	4,300,000	-
Transfer from Electrification Discount Fund	(140,678)	-	(140,678)	n/a	-	140,678
Transfer from CRCR Fund - customer bill relief	(690,250)	-	(690,250)	n/a	-	690,250
TOTAL OTHER USES	54,610,659	55,387,000	(776,341)	-1%	55,412,000	801,341
NET INCREASE(DECREASE) IN AVAILABLE FUND BALANCE	\$32,104,864	\$14,069,392	\$18,035,472	128%	\$112,581,000	

**SILICON VALLEY CLEAN ENERGY AUTHORITY
GENERAL PROGRAM FUND
BUDGETARY COMPARISON SCHEDULE
October 1, 2023 through March 31, 2024**

REVENUE & OTHER SOURCES:	<u>MY BUDGET</u>	<u>ACTUAL</u>	<u>MY BUDGET REMAINING</u>	<u>ACTUAL/ MID-YEAR BUDGET</u>
Transfers in - General Programs	\$ 28,874,000	\$ 28,874,000	\$ -	100.0%
Transfers in - Nuclear Allocation	\$ 2,188,000	\$ 2,188,000	\$ -	100.0%
Total	\$ 31,062,000	\$ 31,062,000	\$ -	
EXPENDITURES & OTHER USES:				
Program expenditures*	27,099,994	3,092,259	24,007,735	11.4%
Net increase (decrease) in fund balance	<u>\$ 3,962,006</u>	<u>\$27,969,741</u>		
Fund balance at beginning of period		<u>56,617,120</u>		
Fund balance at end of period		<u>\$84,586,861</u>		

**CUSTOMER RELIEF & COMMUNITY RESILIENCY FUND
BUDGETARY COMPARISON SCHEDULE*
October 1, 2023 through March 31, 2024**

REVENUE & OTHER SOURCES:	<u>MY BUDGET</u>	<u>ACTUAL</u>	<u>MY BUDGET REMAINING</u>	<u>ACTUAL/ MID-YEAR BUDGET</u>
Transfer from Operating Fund	\$ 4,300,000	\$ 4,300,000	\$ -	100.0%
EXPENDITURES & OTHER USES:				
Customer bill relief credit	4,300,000	690,250	3,609,750	16.1%
Other program expenditures	3,535,082	1,062,742	2,472,340	30.1%
Total Program expenditures	<u>7,835,082</u>	<u>1,752,992</u>	<u>6,082,090</u>	
Net increase (decrease) in fund balance	<u>\$ (3,535,082)</u>	<u>3,237,258</u>		
Fund balance at beginning of period		<u>5,483,032</u>		
Fund balance at end of period		<u>\$8,720,290</u>		

**ELECTRIFICATION DISCOUNT FUND
BUDGETARY COMPARISON SCHEDULE
October 1, 2023 through March 31, 2024**

	<u>MY BUDGET</u>	<u>ACTUAL</u>	<u>MY BUDGET REMAINING</u>	<u>ACTUAL/ MID-YEAR BUDGET</u>
REVENUE & OTHER SOURCES:				
Transfer from Operating Fund *	\$ -	\$ -	\$ -	n/a
EXPENDITURES & OTHER USES:				
Program expenditures *	600,000	140,678	459,322	23.4%
Net increase (decrease) in fund balance	<u>\$ (600,000)</u>	<u>(140,678)</u>		
Fund balance at beginning of period		<u>9,446,460</u>		
Fund balance at end of period		<u>\$9,305,782</u>		

**BUILDING FUND
BUDGETARY COMPARISON SCHEDULE
October 1, 2023 through March 31, 2024**

	<u>MY BUDGET</u>	<u>ACTUAL</u>	<u>MY BUDGET REMAINING</u>	<u>ACTUAL/ MID-YEAR BUDGET</u>
REVENUE & OTHER SOURCES:				
Transfer from Operating Fund *	\$ 20,000,000.00	\$ 20,000,000.00	\$ -	100.0%
EXPENDITURES & OTHER USES:				
Program expenditures *	-	-	-	
Net increase (decrease) in fund balance	<u>\$ 20,000,000</u>	<u>20,000,000</u>		
Fund balance at beginning of period		<u>-</u>		
Fund balance at end of period		<u>\$20,000,000</u>		

SILICON VALLEY CLEAN ENERGY AUTHORITY
OPERATING FUND
BUDGET RECONCILIATION TO STATEMENT OF
REVENUES, EXPENSES AND CHANGES IN NET POSITION
October 1, 2023 through March 31, 2024

Net Increase (decrease) in available fund balance per budgetary comparison schedule	\$	32,104,864
Adjustments needed to reconcile to the changes in net position in the Statement of Revenues, Expenses and Changes in Net Position		
Subtract depreciation expense		(318,166)
Subtract program expense not in operating budget		(4,155,001)
Add back GASB 87 expenses not in operating budget		250,978
Add back transfer to Program fund	▶	54,531,072
Add back capital asset acquisition		79,587
Change in Net Position		<u>82,493,334</u>

SILICON VALLEY CLEAN ENERGY AUTHORITY
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
October 1, 2023 through March 31, 2024

	October	November	December	January	February	March	April	May	June	July	August	September	YTD
OPERATING REVENUES													
Electricity sales, net	\$ 37,692,603	\$ 39,705,552	\$ 41,967,181	\$ 47,091,508	\$ 43,545,848	\$ 39,786,031							\$ 249,788,723
Green electricity premium	136,391	\$ 117,438	\$ 130,927	\$ 144,552	\$ 123,168	\$ 345,167							997,643
Liquidated damages	-	\$ 75,000	\$ -	\$ -	\$ -	\$ -							75,000
Other Income	2,500	\$ 4,974	\$ 5,850	\$ 5,050	\$ 2,316	\$ 2,500							23,190
Total operating revenues	37,831,494	39,902,964	42,103,958	47,241,110	43,671,332	40,133,698	-	-	-	-	-	-	250,884,556
OPERATING EXPENSES													
Cost of electricity	31,160,273	\$ 27,896,672	\$ 20,303,980	\$ 32,910,813	\$ 24,261,713	\$ 25,544,019							162,077,470
Staff compensation and benefits	910,013	\$ 913,400	\$ 1,028,282	\$ 1,060,468	\$ 1,036,242	\$ 1,062,728							6,011,133
Data manager	253,895	\$ 253,378	\$ 253,607	\$ 266,090	\$ 266,560	\$ 267,462							1,560,992
Service fees - PG&E	98,425	\$ 98,101	\$ 104,757	\$ 98,337	\$ 98,296	\$ 98,780							596,696
Consultants and other professional fees	541,215	\$ 504,693	\$ 660,992	\$ 742,608	\$ 791,882	\$ 871,701							4,113,091
Other operating expenses	420,848	\$ 324,106	\$ 862,366	\$ 1,239,599	\$ 611,097	\$ 817,661							4,275,677
Depreciation	49,996	\$ 56,455	\$ 54,023	\$ 52,427	\$ 52,426	\$ 52,839							318,166
Total operating expenses	33,434,665	30,046,805	23,268,007	36,370,342	27,118,216	28,715,190	-	-	-	-	-	-	178,953,225
Operating income (loss)	4,396,829	9,856,159	18,835,951	10,870,768	16,553,116	11,418,508	-	-	-	-	-	-	71,931,331
NONOPERATING REVENUES (EXPENSES)													
Grant income	-	\$ -	\$ -	\$ -	\$ -	\$ -							-
Interest income	1,312,249	\$ 2,670,244	\$ 1,927,958	\$ 2,151,056	\$ 908,057	\$ 1,644,880							10,614,444
Financing costs	(6,183)	\$ (10,369)	\$ (8,950)	\$ (9,232)	\$ (9,082)	\$ (8,625)							(52,441)
Total nonoperating revenues (expenses)	1,306,066	2,659,875	1,919,008	2,141,824	898,975	1,636,255	-	-	-	-	-	-	10,562,003
CHANGE IN NET POSITION	\$ 5,702,895	\$ 12,516,034	\$ 20,754,959	\$ 13,012,592	\$ 17,452,091	\$ 13,054,763	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 82,493,334

**SILICON VALLEY CLEAN ENERGY AUTHORITY
INVESTMENTS SUMMARY
October 1, 2023 through March 31, 2024**

Ending Balance of SVCE Accounts:	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
River City Bank Accounts	\$ 22,348,341	\$ 32,458,101	\$ 46,012,498	\$ 22,314,142	\$ 21,721,762	\$ 26,843,555	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
California Asset Management Program (CAMP)	\$ 196,558,074	\$ 184,428,757	\$ 199,405,498	\$ 232,403,050	\$ 244,368,016	\$ 261,500,705	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PFM Asset Management Investment Portfolio	\$ 111,782,205	\$ 112,312,183	\$ 113,008,833	\$ 113,738,828	\$ 114,457,217	\$ 114,334,972	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Ending Balance	\$ 330,688,620	\$ 329,199,041	\$ 358,426,829	\$ 368,456,021	\$ 380,546,996	\$ 402,679,232	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Return On Investments:

Annual % Yield	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
River City Bank Accounts	3.47%	3.58%	3.73%	3.90%	3.91%	4.05%						
California Asset Management Program (CAMP)	5.56%	5.58%	5.55%	5.54%	5.50%	5.48%						
PFM Asset Management Investment Portfolio	5.41%	5.42%	5.40%	5.31%	5.28%	5.24%						
Average Return On Investments:	5.37%	5.33%	5.27%	5.37%	5.34%	5.32%						

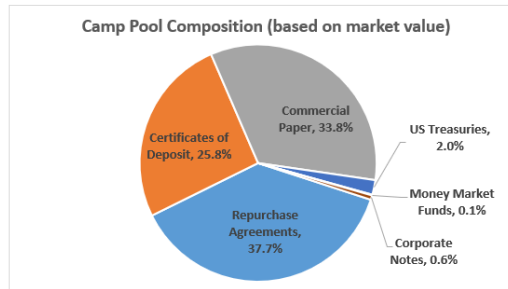
Interest Earned	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
River City Bank Accounts	\$ 9,534	\$ 9,534	\$ 11,867	\$ 17,766	\$ 6,667	\$ 11,034	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
California Asset Management Program (CAMP)	\$ 830,321	\$ 870,683	\$ 976,741	\$ 997,552	\$ 964,966	\$ 1,132,689	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PFM Asset Management Investment Portfolio *	\$ 1,112,927	\$ 529,978	\$ 696,650	\$ 729,995	\$ 718,389	\$ (122,245)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Interest and Investment Gains	\$ 1,952,782	\$ 1,410,195	\$ 1,685,258	\$ 1,745,313	\$ 1,690,022	\$ 1,021,478						

* Includes change in current market value, unsettled trades and accrued interest

CAMP Portfolio Statistics

As of March 31, 2024

Beginning of the Month Market Value	\$ 244,368,016
Ending of The Month Market Value	\$ 261,500,705
Yield at Market	5.50%
Weighted Average Maturity (days)	45

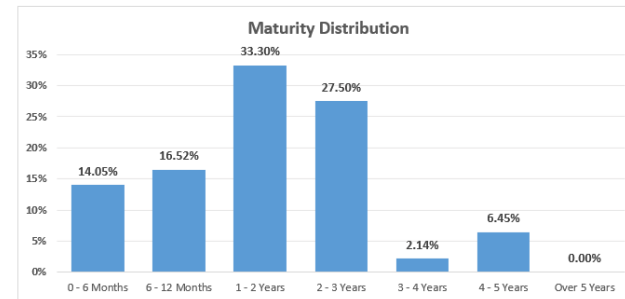
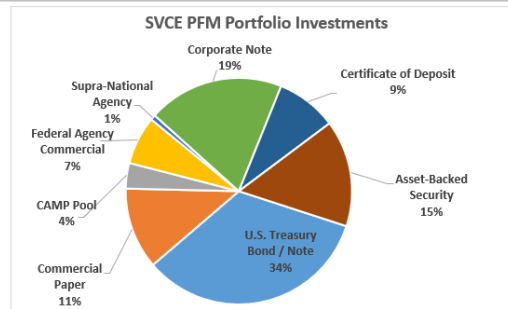


PFM Portfolio Statistics

As of March 31, 2024

Portfolio Par Value	\$ 114,293,025
Portfolio Market Value (incl. Accrued Interest)	\$ 114,334,972
Yield at Cost	5.24%
Yield at Market	5.07%
Benchmark Yield*	4.81%
Weighted Average Maturity (days)	641

*ICE BofA 0-3 Year U.S. Treasury Index



SVCE Investment Policy:

https://svcleanenergy.org/wp-content/uploads/2018/10/FP-08_Investments-Policy-F.pdf

**SILICON VALLEY CLEAN ENERGY AUTHORITY
RETAIL SALES, CUSTOMER ACCOUNTS AND AGING REPORT**

	October	November	December	January	February	March	April	May	June	July	August	Sept	YTD
Retail Sales Actual (GWh)	312.6	302.5	327.8	334.1	310.1	317.0							1,904
Retail Sales Budget (GWh)	312.6	302.5	327.8	335.5	301.7	315.1	291.9	307.2	334.6	359.8	378.7	353.2	1,895
<i>Load deviation from the Budget</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>-0.4%</i>	<i>2.8%</i>	<i>0.6%</i>							0.5%
Customer Participation Rate Res	96.3%	96.3%	96.2%	96.2%	96.2%	96.2%							
Customer Participation Rate Com	96.8%	96.7%	96.6%	96.6%	96.6%	96.6%							
Total Accounts	278,236	278,201	278,312	278,523	278,724	279,225							279,225
Opt-Out Accounts	56	29	51	73	102	49							360
Opt-Up Accounts	-18	-6	-5	-25	-11	-8							-73

Age Summary (as of 4/1/2024)

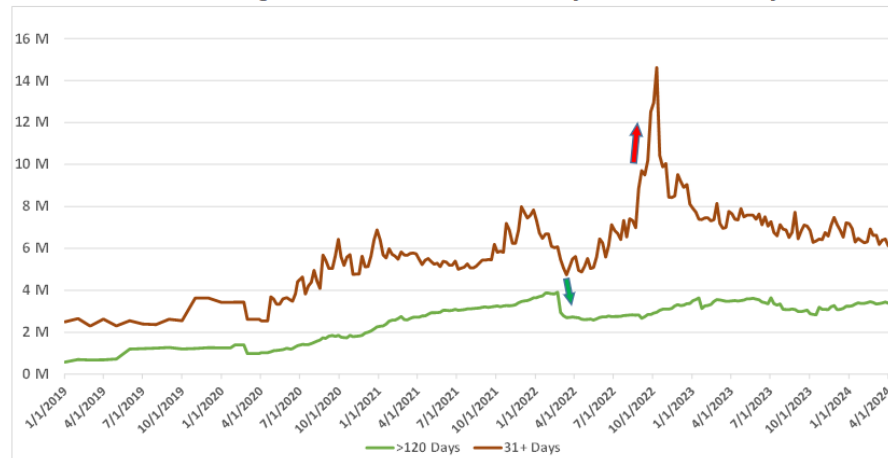
<30 days	\$32,642,319
<60 days	\$1,341,871
<90 days	\$809,101
<120 days	\$586,568
Older	\$3,385,547

Accounts Receivable Days
26 Days
\$38,765,406
TOTAL DUE

Bad Debt % (Budget)
0.90%

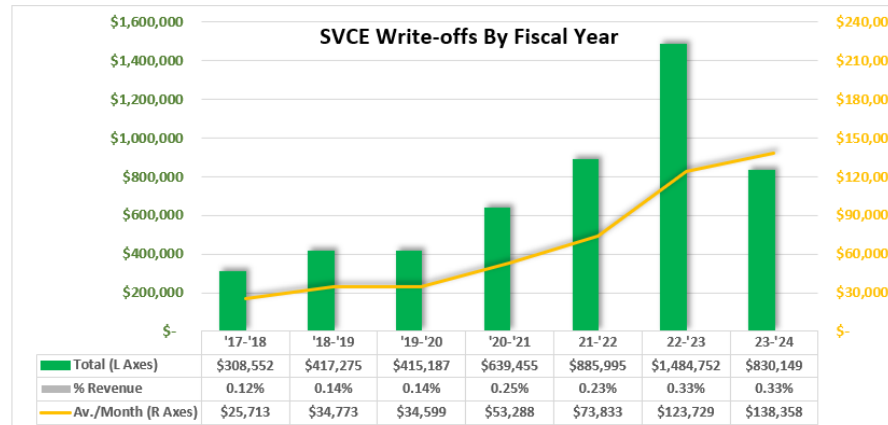
Bad Debt % (Actual) March 2024 FYTD
0.33%

SVCE Arrearager Total for customers 31+ days late and 120+ days late



	Date	Amount
High	11/29/2021	\$7.99M
Low	4/17/2020	\$2.54M
Current	7/31/2023	\$6.1 M

- Green arrow indicates receipt of \$1.3M in Federal CAPP funds.
- An additional \$717K in CAPP funding provided in Winter 2023.
- Growth at red arrow indicates short-term PG&E billing-hold issue in Fall 2022 that was quickly resolved.



Certificate of Compliance

During the reporting period for the month ended March 31, 2024 the account(s) managed by PFM Asset Management ("PFMAM") were in compliance with the applicable investment policy and guidelines as furnished to PFMAM.

Acknowledged : *PFM Asset Management LLC*

Note: Pre- and post-trade compliance for the account(s) managed by PFM Asset Management is provided via Bloomberg Asset and Investment Management ("AIM").



Managed Account Security Transactions & Interest

For the Month Ending **March 31, 2024**

Silicon Valley Clean Energy - SVCE Investment Portfolio - 4025-002 - (12517950)

Transaction Type	Trade	Settle	Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
BUY											
	02/21/24	03/01/24	WFCIT 2024-A1 A DTD 03/01/2024 4.940% 02/15/2029	92970QAA3	925,000.00	(924,748.96)	0.00	(924,748.96)			
	03/05/24	03/08/24	HORMEL FOODS CORP CORPORATE NOTES (CALLA DTD 03/08/2024 4.800% 03/30/2027	440452AK6	240,000.00	(239,767.20)	0.00	(239,767.20)			
	03/05/24	03/13/24	ALLYA 2024-1 A3 DTD 03/13/2024 5.080% 12/15/2028	02008FAC8	385,000.00	(384,944.10)	0.00	(384,944.10)			
	03/11/24	03/13/24	AMERICAN HONDA FINANCE CORPORATE NOTES DTD 03/13/2024 4.900% 03/12/2027	02665WFD8	305,000.00	(304,832.25)	0.00	(304,832.25)			
	03/11/24	03/18/24	AUST & NZ BANKING GRP NY CORPORATE NOTES DTD 03/18/2024 5.000% 03/18/2026	05253JB26	860,000.00	(860,000.00)	0.00	(860,000.00)			
	03/13/24	03/18/24	STATE STREET CORP NOTE (CALLABLE) DTD 03/18/2024 4.993% 03/18/2027	857477CL5	510,000.00	(510,000.00)	0.00	(510,000.00)			
	03/14/24	03/19/24	FORDO 2024-A A2A DTD 03/19/2024 5.320% 01/15/2027	34535EAB8	410,000.00	(409,985.61)	0.00	(409,985.61)			
	03/18/24	03/19/24	BARCLAYS CAPITAL INC COMM PAPER DTD 03/18/2024 0.000% 12/13/2024	06743UMD1	2,500,000.00	(2,401,740.28)	0.00	(2,401,740.28)			
	03/19/24	03/21/24	UNITEDHEALTH GROUP INC CORPORATE NOTES (DTD 03/21/2024 4.600% 04/15/2027	91324PEY4	750,000.00	(744,772.50)	0.00	(744,772.50)			
	03/19/24	03/27/24	CHAOT 2024-1A A2 DTD 03/27/2024 5.480% 04/26/2027	16144BAB4	210,000.00	(209,982.36)	0.00	(209,982.36)			
	03/25/24	04/02/24	BMW US CAPITAL LLC CORPORATE NOTES DTD 04/02/2024 5.050% 04/02/2026	05565ECG8	350,000.00	(349,849.50)	0.00	(349,849.50)			
Transaction Type Sub-Total					7,445,000.00	(7,340,622.76)	0.00	(7,340,622.76)			
INTEREST											
	03/01/24	03/25/24	FNA 2015-M11 A2 DTD 07/30/2015 2.849% 04/01/2025	3136APSZ6	652,159.52	0.00	1,548.14	1,548.14			



Managed Account Security Transactions & Interest

For the Month Ending **March 31, 2024**

Silicon Valley Clean Energy - SVCE Investment Portfolio - 4025-002 - (12517950)

Transaction Type	Trade	Settle	Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
INTEREST											
03/01/24	03/25/24		FHMS K039 A2 DTD 09/01/2014 3.303% 07/01/2024	3137BDCW4	988,490.80	0.00	2,720.82	2,720.82			
03/01/24	03/25/24		FHMS K057 A2 DTD 09/28/2016 2.570% 07/01/2026	3137BRQJ7	1,175,000.00	0.00	2,516.46	2,516.46			
03/01/24	03/25/24		FHMS K736 A2 DTD 09/01/2019 2.282% 07/01/2026	3137FNWX4	750,000.00	0.00	1,426.25	1,426.25			
03/01/24	03/25/24		FHMS K729 A2 DTD 01/01/2020 2.525% 10/01/2026	3137FQXJ7	1,050,000.00	0.00	2,209.38	2,209.38			
03/01/24	03/25/24		FHMS K065 A1 DTD 07/24/2017 2.864% 10/01/2026	3137F1G36	743,895.49	0.00	1,775.43	1,775.43			
03/01/24	03/25/24		FHMS K054 A2 DTD 04/20/2016 2.745% 01/01/2026	3137BNGT5	1,100,000.00	0.00	2,516.25	2,516.25			
03/01/24	03/25/24		FHMS K059 A2 DTD 11/29/2016 3.120% 09/01/2026	3137BSRE5	700,000.00	0.00	1,820.00	1,820.00			
03/01/24	03/25/24		FHMS K733 A2 DTD 11/09/2018 3.750% 08/01/2025	3137FJXO7	570,661.87	0.00	1,937.80	1,937.80			
03/01/24	03/25/24		FHMS K058 A1 DTD 11/09/2016 2.340% 07/01/2026	3137BSP64	485,608.58	0.00	946.94	946.94			
03/08/24	03/08/24		JOHN DEERE CAPITAL CORP CORPORATE NOTES DTD 09/08/2023 5.300% 09/08/2025	24422EXC8	425,000.00	0.00	11,262.50	11,262.50			
03/11/24	03/11/24		TOYOTA MOTOR CREDIT CORP CORPORATE NOTES DTD 09/11/2023 5.600% 09/11/2025	89236TKZ7	550,000.00	0.00	15,400.00	15,400.00			
03/12/24	03/12/24		COMMONWEALTH BK AUSTR NY CORPORATE NOTES	20271RAS9	800,000.00	0.00	21,996.00	21,996.00			

DTD 11/14/2023 5.540% 08/15/2028



Managed Account Security Transactions & Interest

For the Month Ending **March 31, 2024**

Silicon Valley Clean Energy - SVCE Investment Portfolio - 4025-002 - (12517950)

Transaction Type	Trade	Settle	Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
INTEREST											
	03/15/24	03/15/24	HART 2023-C A2A DTD 11/13/2023 5.800% 01/15/2027	44918CAB8	645,000.00	0.00	3,117.50	3,117.50			
	03/15/24	03/15/24	HDMOT 2023-B A3 DTD 09/27/2023 5.690% 08/15/2028	41285YAC9	935,000.00	0.00	4,433.46	4,433.46			
	03/15/24	03/15/24	FORDO 2023-C A3 DTD 11/21/2023 5.530% 09/15/2028	344940AD3	340,000.00	0.00	1,566.83	1,566.83			
	03/15/24	03/15/24	ALLYA 2023-1 A3 DTD 07/19/2023 5.460% 05/15/2028	02007WAC2	500,000.00	0.00	2,275.00	2,275.00			
	03/15/24	03/15/24	BAAT 2023-2A A3 DTD 11/21/2023 5.740% 06/15/2028	06054YAC1	840,000.00	0.00	4,018.00	4,018.00			
	03/15/24	03/15/24	AMXCA 2023-3 A DTD 09/19/2023 5.230% 09/15/2028	02582JKD1	825,000.00	0.00	3,595.62	3,595.62			
	03/15/24	03/15/24	TAOT 2024-A A3 DTD 01/30/2024 4.830% 10/16/2028	89238DAD0	335,000.00	0.00	1,348.38	1,348.38			
	03/15/24	03/15/24	WOART 2024-A A2A DTD 02/14/2024 5.050% 04/15/2027	98164RAB2	365,000.00	0.00	1,587.24	1,587.24			
	03/15/24	03/15/24	MBART 2023-2 A2 DTD 10/25/2023 5.920% 11/16/2026	58769FAB1	315,000.00	0.00	1,554.00	1,554.00			
	03/15/24	03/15/24	COPAR 2023-2 A2A DTD 10/11/2023 5.910% 10/15/2026	14044EAB4	1,100,000.00	0.00	5,417.50	5,417.50			
	03/15/24	03/15/24	HART 2022-C A3 DTD 11/09/2022 5.390% 06/15/2027	44933DAD3	550,000.00	0.00	2,470.42	2,470.42			
	03/15/24	03/15/24	HAROT 2024-1 A2 DTD 02/21/2024 5.360% 09/15/2026	437918AB1	1,100,000.00	0.00	3,930.67	3,930.67			
	03/15/24	03/15/24	CHAIT 2023-A1 A DTD 09/15/2023 5.160% 09/15/2028	161571HT4	805,000.00	0.00	3,461.50	3,461.50			
	03/15/24	03/15/24	BACCT 2023-A2 A2 DTD 12/14/2023 4.980% 11/15/2028	05522RDH8	355,000.00	0.00	1,473.25	1,473.25			
	03/15/24	03/15/24	KCOT 2024-1A A2 DTD 02/21/2024 5.390% 01/15/2027	50117BAB6	830,000.00	0.00	2,982.47	2,982.47			
	03/15/24	03/15/24	WOART 2023-D A2A DTD 11/08/2023 5.910% 02/16/2027	98164DAB3	350,000.00	0.00	1,723.75	1,723.75			
	03/15/24	03/15/24	CHAIT 2024-A1 A DTD 01/31/2024 4.600% 01/15/2027	161571HV9	695,000.00	0.00	2,664.17	2,664.17			



Managed Account Security Transactions & Interest

For the Month Ending **March 31, 2024**

Silicon Valley Clean Energy - SVCE Investment Portfolio - 4025-002 - (12517950)

Transaction Type	Trade	Settle	Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
INTEREST											
	03/16/24	03/16/24	GMCAR 2024-1 A3 DTD 01/17/2024 4.850% 12/18/2028	36268GAD7	110,000.00	0.00	444.58	444.58			
	03/16/24	03/16/24	GMCAR 2023-4 A3 DTD 10/11/2023 5.780% 08/16/2028	379930AD2	470,000.00	0.00	2,263.83	2,263.83			
	03/20/24	03/20/24	VALET 2023-2 A2A DTD 11/21/2023 5.720% 03/22/2027	92867YAB0	515,000.00	0.00	2,454.83	2,454.83			
	03/21/24	03/21/24	HAROT 2023-4 A3 DTD 11/08/2023 5.670% 06/21/2028	438123AC5	195,000.00	0.00	921.38	921.38			
	03/22/24	03/22/24	PFAST 2023-2A A2A DTD 11/10/2023 5.880% 11/23/2026	732916AB7	1,100,000.00	0.00	5,390.00	5,390.00			
	03/29/24	03/29/24	CITIBANK NA CORP NOTES (CALLABLE) DTD 09/29/2023 5.864% 09/29/2025	17325FBA5	380,000.00	0.00	11,141.60	11,141.60			
	03/30/24	03/30/24	HOME DEPOT INC CORPORATE NOTES DTD 12/04/2023 4.950% 09/30/2026	437076CV2	235,000.00	0.00	3,748.25	3,748.25			
Transaction Type Sub-Total					25,684,039.33	0.00	149,610.83	149,610.83			
MATURITY											
	03/18/24	03/18/24	BARCLAYS CAPITAL INC COMM PAPER DTD 06/23/2023 0.000% 03/18/2024	06743UCJ9	2,250,000.00	2,250,000.00	0.00	2,250,000.00	76,280.62	0.00	
	03/25/24	03/25/24	TOYOTA MOTOR CREDIT CORP COMM PAPER DTD 09/25/2023 0.000% 03/25/2024	89233GCR5	1,500,000.00	1,500,000.00	0.00	1,500,000.00	41,780.83	0.00	
	03/26/24	03/26/24	CREDIT AGRICOLE CIB NY COMM PAPER DTD 09/25/2023 0.000% 03/26/2024	22533TCS3	2,500,000.00	2,500,000.00	0.00	2,500,000.00	70,651.39	0.00	
Transaction Type Sub-Total					6,250,000.00	6,250,000.00	0.00	6,250,000.00	188,712.84	0.00	
PAYDOWNS											
	03/01/24	03/25/24	FHMS K058 A1 DTD 11/09/2016 2.340% 07/01/2026	3137BSP64	30,192.02	30,192.02	0.00	30,192.02	1,547.34	0.00	
	03/01/24	03/25/24	FHMS K733 A2 DTD 11/09/2018 3.750% 08/01/2025	3137FJXQ7	31,606.02	31,606.02	0.00	31,606.02	1,039.54	0.00	



Managed Account Security Transactions & Interest

For the Month Ending **March 31, 2024**

Silicon Valley Clean Energy - SVCE Investment Portfolio - 4025-002 - (12517950)

Transaction Type	Trade	Settle	Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
PAYDOWNS											
	03/01/24	03/25/24	FHMS K039 A2 DTD 09/01/2014 3.303% 07/01/2024	3137BDCW4	16,942.64	16,942.64	0.00	16,942.64	273.33	0.00	
	03/01/24	03/25/24	FNA 2015-M11 A2 DTD 07/30/2015 2.849% 04/01/2025	3136APSZ6	1,123.18	1,123.18	0.00	1,123.18	43.92	0.00	
	03/01/24	03/25/24	FHMS K065 A1 DTD 07/24/2017 2.864% 10/01/2026	3137F1G36	24,407.94	24,407.94	0.00	24,407.94	1,053.55	0.00	
	03/15/24	03/15/24	CARMX 2022-2 A3 DTD 04/28/2022 3.490% 02/16/2027	14317HAC5	35,747.94	35,747.94	0.00	35,747.94	928.61	0.00	
	03/22/24	03/22/24	PFAST 2023-2A A2A DTD 11/10/2023 5.880% 11/23/2026	732916AB7	13,096.28	13,096.28	0.00	13,096.28	0.40	0.00	
Transaction Type Sub-Total					153,116.02	153,116.02	0.00	153,116.02	4,886.69	0.00	
SELL											
	03/05/24	03/08/24	US TREASURY NOTES DTD 10/31/2022 4.375% 10/31/2024	91282CFO9	270,000.00	268,565.63	4,186.30	272,751.93	1,603.13	198.03	FIFO
	03/11/24	03/12/24	US TREASURY NOTES DTD 10/31/2022 4.375% 10/31/2024	91282CFO9	125,000.00	124,331.05	1,998.20	126,329.25	737.30	74.03	FIFO
	03/13/24	03/13/24	US TREASURY NOTES DTD 10/31/2022 4.375% 10/31/2024	91282CFQ9	325,000.00	323,209.96	5,234.38	328,444.34	1,866.21	133.43	FIFO
	03/13/24	03/18/24	US TREASURY NOTES DTD 10/31/2022 4.375% 10/31/2024	91282CFQ9	700,000.00	696,253.91	11,694.71	707,948.62	4,128.91	307.48	FIFO
	03/18/24	03/19/24	US TREASURY NOTES DTD 11/30/2022 4.500% 11/30/2024	91282CFX4	1,100,000.00	1,094,113.28	14,877.05	1,108,990.33	5,242.19	306.76	FIFO
	03/20/24	03/21/24	US TREASURY NOTES DTD 11/30/2022 4.500% 11/30/2024	91282CFX4	925,000.00	920,085.94	12,737.70	932,823.64	4,444.34	253.40	FIFO
Transaction Type Sub-Total					3,445,000.00	3,426,559.77	50,728.34	3,477,288.11	18,022.08	1,273.13	
Managed Account Sub-Total						2,489,053.03	200,339.17	2,689,392.20	211,621.61	1,273.13	
Total Security Transactions						\$2,489,053.03	\$200,339.17	\$2,689,392.20	\$211,621.61	\$1,273.13	

Bolded items are forward settling trades.



Staff Report – Item 1c

Item 1c: Receive FY24 Q2 Decarbonization Strategy and Programs Quarterly Report

From: Monica Padilla, CEO

Prepared by: Justin Zagunis, Director of Decarbonization Programs and Policy
Douglas Bernard, Decarbonization Management Analyst

Date: 5/8/2024

RECOMMENDATION

Staff recommends the Board accept the Q2 2024 update of the Decarbonization Strategy and Programs quarterly report.

BACKGROUND

To achieve its mission to reduce dependence on fossil fuels by providing carbon-free, affordable and reliable electricity and innovative programs for the community, SVCE established a decarbonization strategy and programs roadmap (abbreviated as "Roadmap"), which can be found on SVCE's website: [SVCE Decarbonization Strategy and Programs Roadmap](#). In December 2018, the Board approved the Roadmap, and since that time, staff have been working on implementation.

ANALYSIS & DISCUSSION

Attachment 1 is an update of the Decarbonization Strategy and Programs quarterly report. The quarterly update includes a table with a summary of updates from last quarter and the target for next quarter.

STRATEGIC PLAN

This item supports SVCE's 2023-2024 Strategic Plan Goals 13 and 14, to support "achieving energy and transportation GHG reductions of 30% from the 2015 baseline by 2021, 40% by 2025, and 50% by 2030" and to "coordinate development of decarbonization and resilience strategy, lead design of local policy, and design and deploy programs."

FISCAL IMPACT

Accepting the Q2 2024 Update of the Decarbonization Strategy and Programs quarterly report has no fiscal impact.

ATTACHMENTS

1. Decarbonization Strategy & Programs Quarterly Report – Q2 2024 Update

Quarterly Report

FY24 Q2 Milestones



174

contractors
complete
FutureFit
training



1000

customers use Go
Electric Concierge
service



826

completed
electrification
projects for
FutureFit Homes

PROGRAMS PORTFOLIO

Quarterly Report

Active Programs

See Glossary for program descriptions. Title links to program homepage (if available).

Name	Budget	Potential Impact	Cumulative Impact To-Date	Last Quarter (Update)	Next Quarter (Target)
Electrification Rate Discount	\$9.5M	5,000 customers enrolled	1,600 enrolled	Sent custom savings emails to customers, and revising tracking system setup	Explore adding as an easy step in other programs we offer. Enroll 2K customers
CHIIP, including Affordable Housing, EVI Incentives	\$8.9M	<ul style="list-style-type: none"> 25 MUDs with EVI 4,000 L1/L2 chargers at affordable housing 	<ul style="list-style-type: none"> 21 reservations (180 ports) 6 completed (27 L2 and 32 L1) 	Processed 3 new MUD claims for 21 additional EV ports.	Expand enrollment, focus on more affordable housing developers
FutureFit Homes - Residential Incentives	\$7.05M	2,800 homes fully/partially electrified	826 homes fully/partially electrified	Continued to see strong uptake with ~\$1M in claims	Integrate program into Salesforce and develop project/equipment list as a reference on the website
CALeVIP 1.0	\$6M	<ul style="list-style-type: none"> 85 DCFC installed 1,100 L2 installed 	<ul style="list-style-type: none"> 10 DCFC installed 227 L2 installed 	Monitored installation progress. Tracked dropouts and investigated reason.	Continue making payments to DCFC and L2 projects as they are completed.
Community Energy Resilience	\$5.15M	13 agencies complete projects	3 agencies completed projects	Sunnyvale and Cupertino used grants to install mobile, off-grid, EV chargers throughout the jurisdictions	Monitor and reimburse agencies as projects move to completion
Decarbonization Demonstration Grants	\$3.2M	8 local public facing electric projects	1 project complete	Staff developed grant resources in preparation of grant closeout (Dec 2024)	Support grantee community engagement efforts
Permit Modernization	\$3.2M	13 member agencies improve electrification permitting	Data gathered for all 13 agencies. Program just began rolling out	Launched and began outreach to member agencies	Prepare draft action plan for each agency's input. Work with staff to fine tune actions and connect actions to SVCE resources.
C&I Decarbonization Program	\$2.5M	7,500 metric tons of CO2e removed through carbon saving measures	9 customer leads, 1 pilot participant (evaluating 13 projects)	Completed solicitation for fully funded program. Contract expected at May 8 Board meeting	Program to launch in early June, recruit 3-6 new C&I participants
Customer Resource Center (eHub)	\$2.1M	<ul style="list-style-type: none"> 1.5M email opens 350K unique web visits 	517K email opens, 333K web visits, 312 induction cooktop rebates	Sent emails about induction cooktops, and posted social media posts	700K email opens, 345K web visits, Launch Yard Care promotion
Existing Building Policy Experiment	\$1.9M	Spur action on building electrification and reduce building gas combustion	Needs assessment for all 13 agencies	Completed conversations with all 13 agency directors and staff to understand priorities	Prepare draft action plan for each agency for staff input; fine tune actions and utilize SVCE resources

PROGRAMS PORTFOLIO

FY24 Q2

Active Programs

Name	Budget	Potential Impact	Cumulative Impact To-Date	Last Quarter (Update)	Next Quarter (Target)
FutureFit Fundamentals Contractor Training	\$1.7M	<ul style="list-style-type: none"> 300 contractors trained 500 graduate incentives 	174 contractors completed training	Continued online video trainings, 36 completions since last quarter	Increase program marketing
Go Electric Advisor	\$892K	3,600 customers use hotline, 1,200 use tech assistance, 350 use electrification plans	100 customers use service (8 electrification plans done)	User testing, website updates, and soft launched service	Marketing kicking off and aiming for 200 new contacts
Priority Zone DC Fast Charger (PZDFCF) 2.0	\$875K	10 DCFC installations near MUD hotspots	8 of 10 ports are live now (3 of 4 sites)	Received 2 of 3 remaining claims from sites (currently under review). Tracking progress of final project site.	Finalize all sites; begin nearby resident outreach.
FutureFit SMB Incentives	\$750K	20-30 SMBs electrified	3 SMBs fully/partially electrified	Released non-profit rebates; onboarded fellow to lead SMB outreach; released induction rebates	Begin visiting businesses in our communities, increase program awareness, create non-profit testimonial video
FutureFit Assist	\$725K	<ul style="list-style-type: none"> 60 assessments 36 projects done 250 ports 	54 applications	Launched new marketing and outreach campaigns to increase participation; enrolled 4 new properties	Expand enrollment
GridShift EV Charging	\$850K	Bill/emissions savings and load shifting capacity	<ul style="list-style-type: none"> 1,354 EVs enrolled 37 charger rebates 	Explored REDWDS dynamic rates pilot with ev.energy. Launched referral program.	Finalize REDWDS scope. Expand enrollment
Reach Codes 2.0	\$600K	Require all new buildings to be emissions-free	13 agencies adopt electrification ordinances	Monitor and support agencies as the Berkeley legal case evolved (BAAQMD)	Present alternative reach codes to member agencies and provide legal/technical support
SV Building Electrification Stronger Together	\$600K	Educate stakeholders about building electrification	30 new stakeholders engaged to date	Conducted focus group for direct install programs, reaching a new audience of renters and renter advocates	Launch engagement incentive program to invite new feedback from members of workforce, housing, and LMI groups on SVCE programs
Programs Marketing Fund	\$500K	2,500 new program enrollments	Setup systems to track expenses and enrollments	Setup tracking systems, completed first enrollment forecast	Complete digital tracking setup, analyze first few months of expense/enrollment data
Decarbonization Engagement Grants	\$442K	5 communities engage residents on climate action topics	In progress	Mountain View finalizing Community Needs Assessment. The report "Existing Building Electrification: Resources and Messaging" will be done July	Monitor and reimburse agencies as projects move to completion

PROGRAMS PORTFOLIO

FY24 Q2

Active Programs

Name	Budget	Potential Impact	Cumulative Impact To-Date	Last Quarter (Update)	Next Quarter (Target)
Natural Gas Phaseout Feasibility	\$300K	Complete 2 whitepapers to inform local, regional, and statewide policies	External stakeholder meetings on 2 whitepaper topics	BOD approval of contract, kick-off technical solutions analysis, first round of CCA engagement	Complete additional analysis tasks, host second round of CCA engagement
Fleet Electrification	\$300K	Complete fleet electrification and charger installation planning for 10 fleets	8 fleets in progress	The following agencies are now participants: Cupertino, Gilroy, Los Altos, Los Gatos, Morgan Hill, Morgan Hill Unified School District, Mountain View Whisman School District, Purissima Hills Water District	2-3 agencies anticipate completing the planning process
EM&V	\$250K	Evaluate 80% of SVCE programs within 1 year of launch	2 reports completed, 2 in progress	Completed Data Hive EM&V final report and customer awareness survey final report.	Close 1 report, stay on track to complete 2 more by Q4
SV Transportation Electrification Clearinghouse	\$150K	Create cohort to enable equitable electrification.	In progress	Semi-launched program, met with 7 stakeholders	Continue to meet with key stakeholders biannually to maintain relationships. Original program goals have matured into formal initiatives.
Lights On Silicon Valley	Power Supply Budget	750 SFH and 5 MF projects	657 enrolled SFH at outset of delivery period	Capacity from behind-the-meter solar and storage projects was delivered to SVCE.	Continued delivery and adjustments to dispatch as needed.

PROGRAMS PORTFOLIO

FY24 Q2

Planning

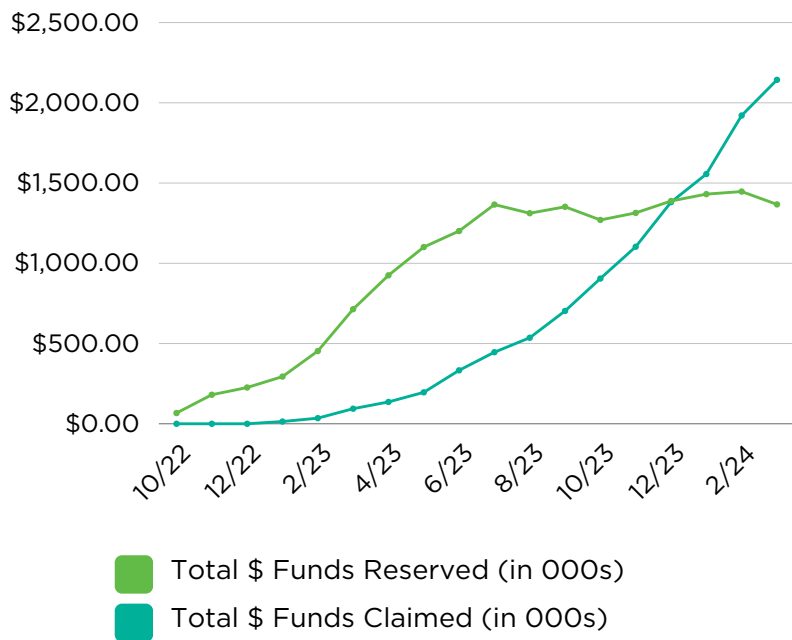
Name	Budget	Potential Impact	Last Quarter (Update)	Next Quarter (Target)
Single-family Installation	\$14M	600 single-family homes electrified; 700 emergency water heater replacements	Contract with Franklin Energy approved at March 2024 BOD Meeting	Continue program design with PCE and launch program by FY24 Q4 (Jul-Sep)
Multifamily Direct Install (TE and BE)	\$12.5M	300 to 1,000 MF AH units electrified	Hosted 2 stakeholder meetings with 20 attendees to gather feedback on initial program design	Continue program design and launch program by FY24 Q3 (Apr-Jun)
Resiliency, Engagement, and Decarbonization (RED) Grants	\$10M	Fund resiliency, engagement, and decarbonization projects for Member Agencies, schools, community groups, and non-profits	Staff created initial design for the new grant program	Conduct community engagement on program design for the grants
Tariffed On Bill (TOB) Financing	\$5.2M	200 customers finance electrification	Continued supporting CPUC TOB Working Group	Submit joint proposal to CPUC & contract for pilot
Innovation Onramp	\$2.4M	1-2 pilot projects per year that advance electrification programs and strategies	Selected vendor for customer incentive and contractor selection pilot program	Execute contract with vendor. Scope next cycle and release call for proposals.
Neighborhood Electrification	\$1.5M	Test model to electrify buildings within a community. Electrify 15 homes and set plans for 24 homes.	Began program design, identified geography and three approaches for pilot scope	Complete pilot design and identify key partners to execute project
EV Education & Incentives	\$1.5M	600 EV purchase incentives for income qualified customers	Identified implementer and initiated stakeholder engagement	Develop dealer network and integrate stakeholder feedback into program design to prepare for Fall launch
Workforce Development Partnerships	\$1.3M	Increase capacity to coordinate and train skilled workforce for residential electrification jobs	Secured funding for program in March	Identify initiatives that recruit and train residential electrification contractors and develop partnership structure
Demand Flexibility and Virtual Power Plants	\$500K	Connectivity to flexible, customer-sided loads to enable bill savings, avoided generation and capacity costs, reliability and carbon benefits	Collaborated with PG&E on development of RTP pilots, regulatory and legislative engagement, grant evaluations	Confirm SVCE participation in PG&E pilots and high level program design, pursue grant application submission w/joint CCAs, SVCE demand flexibility road map
E-Bikes	\$500K	450 e-bikes	Secured funding for program in March	Begin program design for launch in 2024
Portable Heat Pumps	\$500K	100 portable heat pumps	Secured funding for program in March	Begin program design for launch in 2024

PROGRAMS HIGHLIGHTS

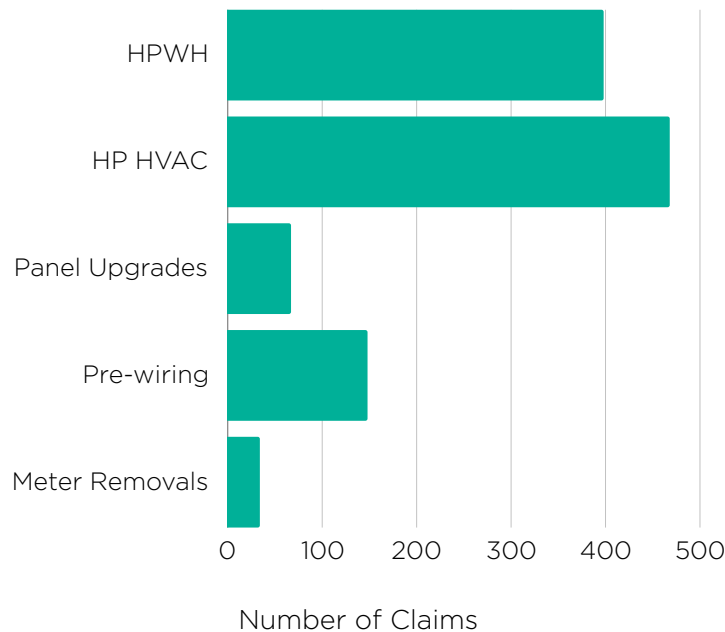
FY24 Q2

FutureFit Homes

Provide incentives to residents for electric heat pump water heaters (HPWH), heat pump HVAC systems, service panel upgrades, and pre-wiring upgrades to replace gas appliances.

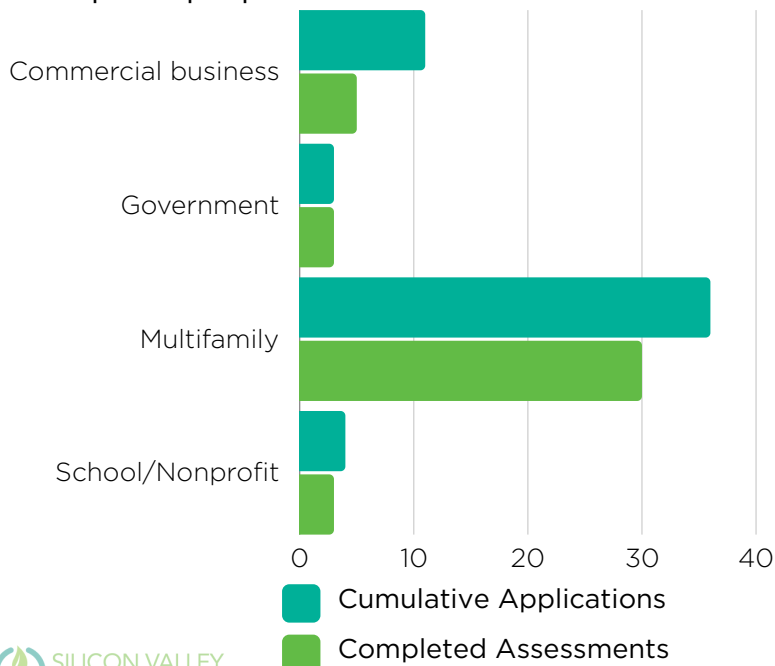


Rebates claimed: \$2.1M
Rebates reserved: \$1.4M



Future Fit Assist

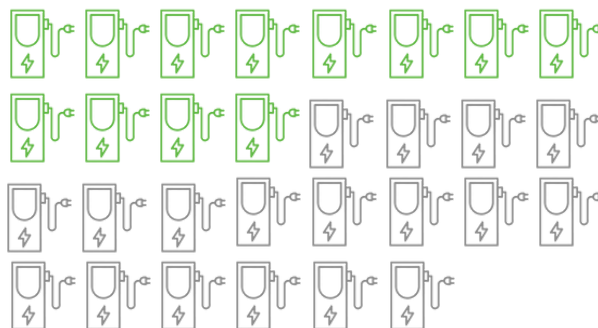
Assistance in site assessment, preliminary design, and applying to rebates for charging at multifamily housing and small and medium workplace properties.



Charging Installation Incentive Program (CHIIP)

Incentive program for L1 and L2 EV charging infrastructure at multifamily properties

Funds Reserved: \$763K
Funds Claimed: \$212K
Goal: 35 Sites, 150 ports



= 5 Installed EVSE Ports

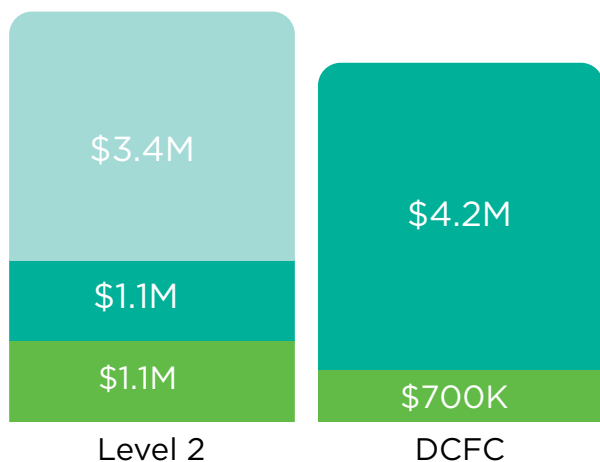
PROGRAMS HIGHLIGHTS

FY24 Q2

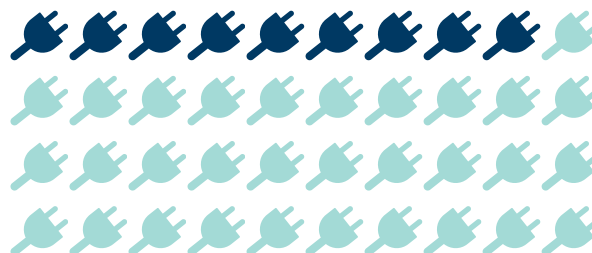
CALeVIP

Provide incentives for electric vehicle (EV) chargers as part of a regional program.

Funding: \$11.58M
Goal: 1K Level 2 + 85 DC Fast Chargers by 2023



■ Reserved ■ Remaining Funds
■ Funds Issued

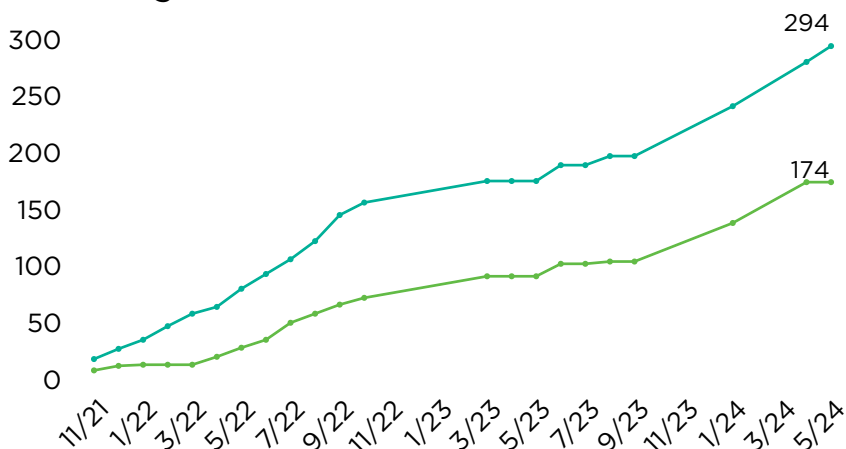


= 25 Level 2 Installations
 = 5 DCFC Installations

FutureFit Fundamentals

Provide financial relief to contractors by expanding their knowledge of electrification technologies.

Funding: \$1.5M
Goal: 300 Participants Complete the Course (Phase 2)



■ Completions ■ Registrations



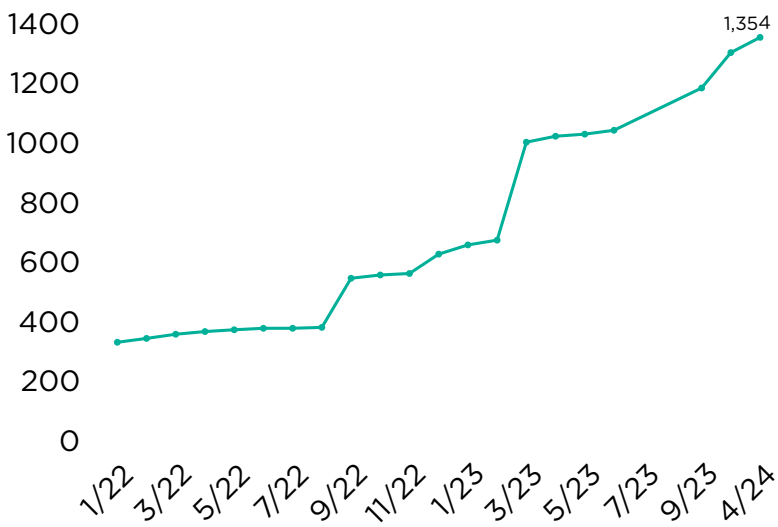
= 10 Participants Complete Course

PROGRAMS HIGHLIGHTS

FY24 Q2

GridShift EV Charging

Managed EV charging app that optimizes charging to reduce associated costs and emissions.



■ Number of Enrolled EVs

Rebate Goal: \$30K

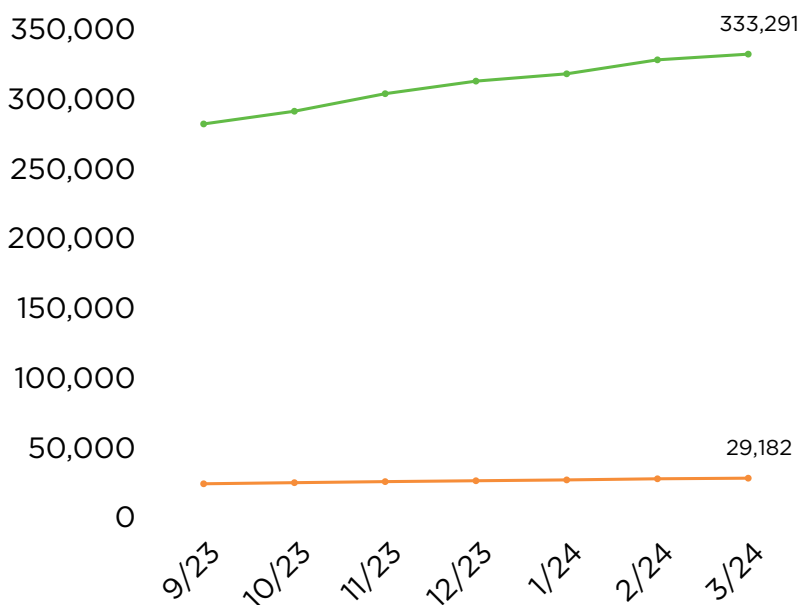
Goal: 120 EV Chargers



Charger Rebates Issued: 37

eHub Report

Online customer resource center to enable engagement, education and action related to clean electricity, EVs and home electrification.



■ Unique Visits ■ Return Visits

Website Visit Goal:

Reach 350K Unique Visitors

Email Goal:

Conduct 6 email campaigns



 = 1 email campaign completed

Built Environment

Community Energy Resilience: Resources (grants) and tools for member agencies to increase individual and collective capacity to adapt to future power outages.

Electric Showcase Awards 2.0: Award program to recognize residential, commercial, and non-profits who are early adopters of existing building electrification.

Decarbonization Demonstration Grants: Grants to encourage member agencies and other key groups an opportunity to electrify their facilities. Focus on projects with public visibility for education/awareness purposes.

Decarbonization Engagement Grants: Grants for member agencies and other key groups to work on smaller electrification engagement initiatives to engage their communities.

Electrification Rate Discount: Custom rate to promote building electrification.

Existing Building Policy Experimentation: Assess and support potential policy levers that member agencies can explore to mitigate emissions from existing buildings.

Feasibility Assessment of Natural Gas Phase Out by 2045: Feasibility study to identify technical, legal, and economic barriers and opportunities for phasing out natural gas service by 2045 in SVCE's service territory.

FutureFit Fundamentals Contractor Training: Training and financial incentive program for contractors to expand their knowledge and installation of electrification technologies.

FutureFit Homes - Concierge: Comprehensive one-on-one phone or web assistance to SVCE customers to assist them in applying for electrification incentives, technical assistance, or developing a whole-home electrification plan.

FutureFit Homes - Residential Incentives: Incentives for various building electrification technologies for single- and small multi-family residential customers. Includes major appliances as well as eventual gas meter removal.

FutureFit Homes and Buildings - C&I Incentives: Incentives for demonstration projects at a handful of small and medium business properties.

Multifamily BE Direct Install: Comprehensive building electrification retrofits with a direct installer for multifamily affordable housing sites.

Permit Modernization: Benchmark and streamline member agency permitting and inspection processes to identify barriers and opportunities to electrification.

Reach Codes 2.0: Provide model building energy codes supportive of all-electric design and EV infrastructure to member agencies along with consultant support.

Built Environment

SVBEST: Regular regional stakeholder convenings to coordinate program alignment across building decarbonization workstreams.

Tariffed On Bill (TOB) Financing: Equitable financing pilot program for electrification for low-moderate income residents focusing cost recovery through on-bill charges that are lower than bill savings.

Mobility

CALeVIP 1.0: Incentives for L2 and DCFC publicly-accessible EV chargers funded by California Energy Commission and SVCE as part of a regional collaboration.

CHIIP: Incentive program for L1 and L2 EV charging at hard-to-reach multifamily properties.

Fleet Electrification Program: Competitive application for SVCE's fleet electrification planning support and funding for site upgrades targeting a broad set of fleet types.

FutureFit Assist: Technical assistance for preliminary site design and pertinent rebates for charging at multifamily housing and small and medium workplace properties.

Multifamily TE Direct Install: Comprehensive transportation electrification retrofits with a direct installer for multifamily affordable housing sites.

Priority Zone DC Fast Charger (PZDCFC) 2.0: Competitive grant application for DCFC installations in "priority zones" that support designated multifamily housing clusters.

SVTEC: Regular regional stakeholder meetings focused on information sharing, solving critical issues, and attracting external funding to the SVCE community in support of EV infrastructure deployment.

Power Supply

Lights On Silicon Valley: Provide incentives for enrolling solar and battery systems in the SVCE grid services program.

Medical Battery Program: Pilot program to deploy ~50 portable batteries to qualified customers who rely on power for medical equipment.

Education & Outreach

Customer Resource Center (eHub): Online customer resource center and marketplace to enable engagement, education, and action related to clean electricity, EVs, and home electrification.

Grid Integration

GridShift EV Charging: Managed EV charging phone app that optimizes charging to reduce associated costs and emissions. Includes incentives for reducing grid peak demand.



Staff Report – Item 1d

Item 1d: Authorize the Chief Executive Officer to Execute an Agreement with Rock Rabbit, Inc. to Pilot a Customer Incentive and Contractor Management Tool with a Not to Exceed Limit of \$190,000 for an 18-month Term

From: Monica Padilla, CEO

Prepared by: Justin Zagunis, Director of Decarbonization Programs and Policy
Nupur Hiremath, Manager of Decarbonization Programs and Policy

Date: 5/8/2024

RECOMMENDATION

Staff recommends the Board authorize the Chief Executive Officer (CEO) to execute the attached agreement with Rock Rabbit, Inc. ("Rock Rabbit") with non-substantive changes approved by the CEO and subject to final review and approval by General Counsel. The agreement is to run an 18-month pilot of Rock Rabbit's customer incentive and contractor management tool for a not-to-exceed amount of \$190,000.

BACKGROUND

In December 2018, the Board approved the Decarbonization Strategy and Programs Roadmap, which identified accelerating innovation as one of ten core strategies to SVCE's decarbonization mission. SVCE launched the Innovation Onramp program in 2019, which provided grants to startups, private companies, non-profits organizations, schools, and municipal agencies to run pilot projects that demonstrated innovative approaches or technologies to reduce carbon emissions.

SVCE conducted four rounds of Innovation Onramp solicitations between 2019-2021, selecting 12 pilots totaling \$1.1 million. Topics covered included: improved authorized customer energy data access, electric vehicle (EV) charger installations, and home energy modeling for informing decarbonization efforts, among others. The highlights from these pilots were published in August 2021 in SVCE's Innovation Impact Report (<https://svcleanenergy.org/innovation-pilots/>). Several of these pilots were precursors of programs that SVCE runs today, including the GridShift program for optimized EV charging and Data Hive for secure sharing of utility data. Other pilots informed scaled-up regional efforts led by the state or other actors.

Staff's focus in recent years has been on completing those selected pilots and deploying the larger scale customer programs identified in various SVCE roadmaps and joint action plans. As these continue to launch and SVCE reaches more customers and enables wider decarbonization, Innovation Onramp will pivot to help demonstrate technologies or creative approaches to barriers uncovered through the administration of other programs and policies. Initial topic areas that are of interest due to learnings so far include:

- a "one-stop" customer incentive application tool or process that can simplify application to multiple local/regional/state/federal programs;
- additional load optimization solutions to avoid electrical service panel upgrades;
- dynamic rate signals for key loads including EV charging and "vehicle-to-grid";
- solutions for better tracking and billing EV charging for multifamily residents.

This staff report presents a contract agreement for a pilot addressing the first of the topic areas listed above.

ANALYSIS & DISCUSSION

SVCE has been exploring the possibility of using software solutions to assist customers in applying to incentives, and thereby, accelerating the speed of their decarbonization journey. Currently, SVCE's FutureFit Homes program provides single-family and small multi-family residential customers with incentives to upgrade their appliances to heat pumps or induction cooktops and prewire their homes for future electrification. As of April 2024, the program has successfully distributed \$2.3 million in incentives and led to the installation of 433 heat pump water heaters and 504 heat pump space heating/cooling systems. This is on top of the previous heat pump water heater only incentives, where we distributed \$1.05 million and installed 361 water heaters in a previous version of this program. The FutureFit Homes program is led by SVCE staff and implemented by a third-party program administrator. The third-party administrator receives, reviews, and approves/declines customer rebate applications; provides customer service related to incomplete applications or questions about the rebate process; and, finally, reviews and approves/declines claims submitted by the customer. Customer feedback regarding the program's process and customer service has been largely positive, and, where needed, SVCE staff has worked with the administrator to improve the process based on customer feedback.

Although effective, administering FutureFit Homes incentives is high-touch and requires time from staff and the third-party administrator. Further, with the incentives available from the California State TECH program, the Bay Area Regional Energy Network (BayREN), Self-Generation Incentive Program (SGIP), as well as the Inflation Reduction Act (IRA), most customers are looking to stack and braid SVCE's incentives with others they can claim to minimize the up-front cost of the upgrade. SVCE currently offers information on available incentives on its website and also through its newly launched Go Electric Advisor "concierge" service via phone or web chat. The Go Electric Advisor is focused on answering questions about how to electrify generally, how to obtain a customized residential electrification plan, and how to resolve technical barriers to electrification in a customer's specific situation. The Go Electric Advisor can advise the customer generally about which rebates they may be eligible for; however, the work to complete and submit incentive applications to different programs ultimately must be done by the customer.

SVCE staff has been interested in a customer incentive tool that can enable customers to more easily apply for all available incentives, particularly in the context of enabling widespread participation in programs across SVCE's territory driven by local policies requiring equipment upgrades. The primary goal of such a tool would be to:

- Allow customers to easily apply to multiple decarbonization incentives; and
- Reduce SVCE's time investment per customer, for those who do not require deeper support

While the tool may not be leveraged by all customers, SVCE's goal is to understand whether more tech-savvy customers that do not require one-on-one customer service through the Go Electric Advisor or the program administration team may be able to more quickly claim their incentives. This will enable SVCE's more personalized customer services, such as the Go Electric Advisor, to be reserved and leveraged by those customers who truly need a deeper level of assistance. Further, having the tool provide support for claiming all of the other available rebates will help SVCE understand how much of a pain point that has been for customers and whether this support is valuable in increasing uptake.

Consultant Selection

SVCE's online customer resource center, eHub, is being redesigned to improve accessibility and resources to support customer electrification journeys. As such, the scope for a customer incentive tool was included in the relaunched eHub (hereafter "eHub 2.0") solicitation process.

SVCE staff solicited consultants for eHub 2.0 support through a competitive bid process, as shown below. The RFP garnered a strong response, with eleven qualified proposals spanning either a subset or all of the Topic Areas and Tasks listed in the RFP. SVCE conducted interviews with six finalist teams in February. The evaluation panel for the finalist interviews consisted of five SVCE staff. Rock Rabbit, Inc. ("Rock Rabbit") was one of the finalists.



The review team for eHub 2.0 selected a handful of vendors to design and update the main elements of eHub 2.0. The Rock Rabbit proposal was ranked high for its innovative concepts that would be novel for SVCE to offer to its customers. However, it offered a one pathway for customer education focused on accessing electrification rebates, while offerings from other vendors simultaneously addressed multiple elements desired for eHub 2.0. The SVCE review team determined that an initial pilot period would be the optimal way to demonstrate and evaluate the Rock Rabbit functionality to assess the impact on and value to customers.

About Rock Rabbit, Inc.

Rock Rabbit’s tool offers an AI-powered software-as-a-service solution platform to contractors and incentive providers. Through a TurboTax-like offering, it enables customers to claim incentives for home upgrade projects from multiple programs simultaneously. This intends to help to streamline program administration costs for SVCE, streamline customer experience across the multitude of available incentives, enable faster incentive uptake for customers, and therefore, affordably accelerate programs and scale up adoption. As a bonus feature, the tool also connects customers to local contractors and enables them to receive quotes to choose from. It can also help educate customers and connect them to existing SVCE programs and resources, as shown below.

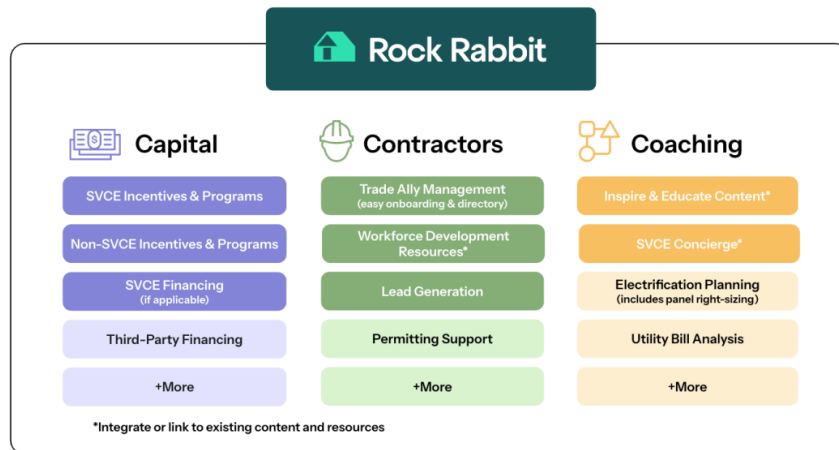


Figure 5: Overview of Rock Rabbit’s Solution

To date, Rock Rabbit has processed thousands of dollars in rebates through their platform, including in SVCE’s service territory (and including SVCE’s rebates, by submitting applications on customer’s behalf through SVCE’s application portal), and has enabled small mom-and-pop contractors to participate in otherwise administratively-heavy programs. Rock Rabbit already has connections to many local contractors and indicates it has continued to build its network over time.

Rock Rabbit will work with SVCE to implement the following services under the proposed contract agreement:

- Deploy an SVCE-branded web app for residential customer access and usage, and a co-branded mobile and web app for contractors;

Agenda Item: 1d**Agenda Date: 5/8/2024**

- Enable residential customers to apply for incentives for these appliances across multiple programs (including SVCE's FutureFit Homes) – heat pump water heater, heat pump HVAC, and induction stoves;
- Marketing and technical support services to improve customer usage of the app;
- Training services for SVCE authorized users to enable staff oversight;
- Evaluation and assessment services to summarize pilot results and synthesize lessons learned

The contract term will be for 18 months. This will include 5-month design process, a 12-month testing phase, and a 1-month evaluation and assessment phase. This Rock Rabbit pilot represents yet another tactic for SVCE to support customers as they upgrade to electric equipment, along with the Go Electric Advisor, FutureFit Homes incentives, and upcoming direct installation programs. Staff will monitor the costs, impacts, and feedback around this portfolio to continue to shape the scaling of SVCE, regional, and statewide efforts.

STRATEGIC PLAN

The Innovation Onramp program supports SVCE's Strategic Plan Goal 14, Measure 2 to "lead programs on decarbonization focus areas" including innovation.

ALTERNATIVE

The proposed pilot provides an alternative, expedited pathway for customers who do not need the high-touch approach currently offered or contemplated by other SVCE programs. Further, it tests the opportunity for SVCE to scale and deploy its incentives at a faster rate, thereby accelerating decarbonization.

In the absence of the proposed pilot, staff could continue to evaluate and identify opportunities to streamline the application and claims process for incentives to reduce time spent per customer. Further, staff could also defer the proposed pilot until SVCE gains experience with the deployment of its direct installation Single-Family Installation (SFI) program (launch expected in summer 2024). If that program shows strong uptake, it could be the preferred method of connecting customers to contractors and incentives. However, the SFI program is also anticipated to be a high-touch program and requires that customers use an SVCE-selected contractor instead of a contractor they already have, which may be more appropriate for customers requiring additional assistance or who are less interested in direct control of their project.

FISCAL IMPACT

Program funding of \$2.4 million for the Innovation Onramp program is already reflected in the total Board-approved programs allocation, and \$1.26 million has been expended on past pilots. Rock Rabbit's proposed contract scope has a not-to-exceed amount of \$190,000, which can be covered out of the remaining \$1.14 million in the program allocation. Approval of this contract with Rock Rabbit, therefore, will have no incremental fiscal impact.

ATTACHMENTS

1. Draft Agreement between SVCE and Rock Rabbit, Inc. for an Innovation Onramp Pilot

MASTER AGREEMENT

SOFTWARE AS A SERVICE

This agreement (“Agreement”) is made and effective on the date of last signature below (“Effective Date”), by and between Silicon Valley Clean Energy, an independent public agency located at 333 W. El Camino Real, #330, Sunnyvale, CA 94087 (“SVCE”) and Rock Rabbit Inc., a Delaware Corporation located at 2021 Fillmore St PMP 2040, San Francisco, CA 94115 (“Service Provider”).

RECITALS

WHEREAS, SVCE requires third-party hosted “software as a service” services, as further described herein, with respect to certain of its information technology needs;

WHEREAS, SVCE launched an innovation pilot partnership program called Innovation Onramp in order to facilitate and support innovative research and the evaluation, testing, and implementation of innovative, emerging technologies and ideas, with the goal of accelerating decarbonization;

WHEREAS, SVCE requested a pilot project proposal to the Innovation Onramp program from Service Provider for such Services;

WHEREAS, Service Provider has experience and expertise in the business of providing the Services;

WHEREAS, Service Provider submitted a proposal to SVCE to perform such Services on behalf of SVCE;

WHEREAS, based on Service Provider’s superior knowledge and experience relating to such Services, SVCE has selected Service Provider to provide and manage the Services;

WHEREAS, Service Provider wishes to perform the Services and acknowledges that the successful performance of the Services and the security and availability of SVCE’s data are critical to the operation of SVCE’s business; and,

WHEREAS, Service Provider has agreed to provide the Services to SVCE, all on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and representations set forth in this Agreement, the parties hereby agree as follows:

1. **Term.** This Agreement is legally binding as of the Effective Date and shall continue until terminated as provided for herein. Unless this Agreement is terminated earlier in accordance with the terms set forth herein, the term (the “Initial Term”) shall commence on the Effective Date and continue for eighteen (18) months. Following the Initial Term and unless otherwise terminated as provided for in this Agreement, this Agreement may be renewed for up to two (2), successive one (1) year terms (each, a “Renewal Term”) upon mutual written agreement of the parties.
2. **Not to Exceed Amount.** SVCE shall be responsible for and shall pay to Service Provider the fees as further described in Exhibit A, subject to the terms and conditions contained in this Agreement, including, but not limited to, Section 10 Fees; Billing, below. The total amount payable to Service Provider under this Agreement shall not exceed one hundred and ninety thousand dollars (\$190,000).
3. **The Services.** This Agreement sets forth the terms and conditions under which Service Provider agrees to license to SVCE certain hosted software and provide all other services necessary for productive use of such

software including residential electrification rebate management, enterprise integration(s), external data and service integrations (e.g. equipment databases), customer marketing, local installer onboarding, technical customer support and troubleshooting, and usage data monitoring and reporting (collectively, the “Services”) as further set forth in Exhibit “A” attached hereto.

- 3.1 Authorized SVCE Users. Unless otherwise limited herein, Service Provider grants SVCE a renewable, irrevocable, nonexclusive, royalty-free, and worldwide right and license for any SVCE employee, contractor, or agent, or any other individual or entity authorized by SVCE, (each, an “Authorized User”) to access and use the business-focused Services, including, for instance, access to reporting on platform usage, confidential program data, etc.
- 3.2 Authorized Users. Unless otherwise limited herein, Service Provider grants SVCE a renewable, irrevocable, nonexclusive, royalty-free, and worldwide right and license for any SVCE customer to access and use the customer-focused Services for their own personal use, including, for instance, access to the app to find and claim incentives for residential electrification projects. Other than any limitations otherwise described herein, Authorized Users will have no other limitations on their access to or use of the Services.
- 3.3 Acknowledgement of License Grant. For the purposes of 11 U.S.C. § 365(n), the parties acknowledge and agree that this Agreement constitutes a grant of license to use intellectual property in software form, to SVCE by Service Provider.
- 3.4 Changes in Number of Authorized Users. SVCE is entitled to increase or decrease the initial number of Authorized Users (“Minimum Commitment”), on an as-requested basis; provided, however, that SVCE shall maintain the Minimum Commitment, shown in Exhibit A, unless the parties otherwise agree to adjust the Minimum Commitment. Depending on customer engagement with the the Service Provider’s tool, Service Provider shall reduce or increase the prospective monthly Services Fees reflected in Exhibit A and reiterated in Exhibit C.
- 3.5 Control and Location of Services. The method and means of providing the Services shall be under the exclusive control, management, and supervision of Service Provider, giving due consideration to the requests of SVCE. Cloud based storage shall not be utilized without SVCE’s prior, written consent. Any and all permitted cloud storage shall be in compliance with ISO/IEC 27001 - 27017, as applicable, or successor standards thereto. Except as otherwise expressly set forth in Exhibit A, the Services (including all data storage), shall be provided solely from within the continental United States and on computing and data storage devices residing therein, and all such locations shall be disclosed to SVCE annually and within thirty (30) days of the effective date of this Agreement.
 - 3.5.1 Subcontractors. Service Provider reserves the right to enter into subcontracts for the performance of a subset of the Services as part of this Agreement, subject to SVCE’s written approval. If newly appointed subcontractors will be involved in processing personal information on behalf of SVCE, the Service Provider will notify SVCE in writing within 10 business days. Service Provider’s use of subcontractors shall not relieve Service Provider of any of its duties or obligations under this Agreement.
- 3.6 Development and Test Environments. The Service Provider shall not usually notify SVCE of any new releases to the application or software but will notify SVCE in advance of any new releases or updates that affect the core functionality of the Services. The Service Provider will notify SVCE how the new releases or updates differ in the functionality, performance, and compatibility of the software and Services before such new releases are deployed into live production. SVCE is entitled to test the functionality using a test version of the software at no additional charge.
- 3.7 Documentation. The documentation for the Services (“Documentation”) will accurately and completely describe the functions and features of the Services, including all subsequent revisions thereto. The Documentation shall be understandable by a typical end user and shall provide Authorized Users with sufficient instruction such that an Authorized User can become self-reliant

with respect to access and use of the Services. SVCE shall have the right to make any number of additional copies of the Documentation at no additional charge.

- 3.8 Changes in Functionality. During the term of this Agreement, Service Provider shall not reduce or eliminate functionality in the Services. Where Service Provider has reduced or eliminated functionality in the Services, SVCE, at SVCE's sole election and in SVCE's sole determination, shall: (a) have, in addition to any other rights and remedies under this Agreement or at law, the right to immediately terminate this Agreement and be entitled to a return of any prepaid fees; or, (b) determine the value of the reduced or eliminated functionality and Service Provider will immediately adjust the Services Fees accordingly on a prospective basis. Where Service Provider increases functionality in the Services, such functionality shall be provided to SVCE without any increase in the Services Fees unless the functionality or feature was requested and agreed to by SVCE, in which case Service Provider shall invoice SVCE for the mutually agreed associated costs.
- 3.9 No Effect of Click-Through Terms and Conditions. Where an Authorized SVCE User is required to "click through" or otherwise accept or made subject to any online terms and conditions in accessing or using the Services, such terms and conditions are not binding and shall have no force or effect as to the Services or this Agreement. Where an Authorized User (i.e., SVCE customer) is required to "click through" or otherwise accept or made subject to any online terms and conditions in accessing or using the Services, such terms and conditions may be binding on the Authorized User if reviewed and agreed upon by SVCE.
- 3.10 Modification of the Services. SVCE's Director of Information Technology shall be authorized to waive, in writing, any of the Service Provider's obligations with respect to the Services, where deemed to be in SVCE's best interests, provided that no such modification shall result in any increase in the amount of the Services Fees.
- 3.11 Compliance with All Laws. Service Provider shall keep itself informed of all applicable federal, state and local laws, ordinances, codes, regulations and requirements which may, in any manner, affect those employed by it or in any way affect the performance of its services pursuant to this Agreement. Service Provider shall, at all times, observe and comply with all such laws and regulations, including, but not limited to the Americans with Disabilities Act, the Stored Communications Act, 18 U.S.C. Section 2701, et seq., California Civil Code Sections 1798.80 through 1798.84, and the California Consumer Privacy Act, Civil Code Section 1798.100, et seq. SVCE, and its officers and employees, shall not be liable at law or in equity by reason of the failure of the Service Provider to comply with this paragraph.
4. Service Levels.
- 4.1 Service Levels; Time is of the Essence. For the term of this Agreement, Service Provider shall provide the Services, force majeure events excepted, during the applicable Service Periods and in accordance with the applicable Service Level Standards, each as described in Exhibit A hereto. Time is of the essence in the performance of the Services.
- 4.2 Service Level Reporting. On a monthly basis, in arrears and no later than the fifteenth (15th) calendar day of the subsequent month following the reporting month, Service Provider shall provide reports to SVCE describing the performance of the Services and of Service Provider as compared to the Service Level Standards; provided, however, that a SVCE Satisfaction Service Level Survey shall be conducted by Service Provider each year on the anniversary of the Effective Date and the results shall be reported to SVCE by Service Provider no later than the fifteenth (15th) calendar day of the subsequent month following such anniversary date. The reports shall be in a form agreed-to by SVCE, and, in no case, shall contain less than the following information: (a) actual performance compared to the Service Level Standard; (b) the cause or basis for not meeting the Service Level Standard; (c) the specific remedial actions Service Provider has undertaken or will undertake to ensure that the Service Level Standard will be subsequently achieved; and, (d) any Performance Credit due to SVCE. Service Provider and SVCE will meet as often as shall be reasonably requested

by SVCE, but no less than monthly, to review the performance of Service Provider as it relates to the Service Levels. Where Service Provider fails to provide a report for a Service Level in the applicable timeframe, the Service Level shall be deemed to be completely failed for the purposes of calculating a Performance Credit. Service Provider shall, without charge, make SVCE's historical Service Level reports available to SVCE upon request. The frequency of reporting requirements may be reduced, as mutually agreed upon by SVCE and the Service Provider.

4.3 Failure to Meet Service Level Standards. In the event Service Provider does not meet a Service Level Standard, Service Provider shall: (a) owe to SVCE any applicable Performance Credit, as liquidated damages and not as a penalty; and, (b) use its best efforts to ensure that any unmet Service Level Standard is subsequently met. Notwithstanding the foregoing, Service Provider will use its best efforts to minimize the impact or duration of any outage, interruption, or degradation of Service. In no case shall SVCE be required to notify Service Provider that a Performance Credit is due as a condition of payment of the same.

4.3.1 Termination for Material and Repeated Failures. SVCE shall have, in addition to any other rights and remedies under this Agreement or at law, the right to immediately terminate this Agreement, and be entitled to a return of any prepaid fees where Service Provider fails to meet any Service Level Standard: (a) to such an extent that the SVCE's ability, as solely determined by SVCE, to use the Services is materially disrupted, force majeure events excepted; or, (b) for four (4) months out of any twelve (12) month period.

4.4 Audit of Service Levels. No more than quarterly, SVCE or SVCE's agent shall have the right to audit Service Provider's books, records, and measurement and auditing tools to verify Service Level Standard achievement and to determine correct payment of any Performance Credit. Where it is determined that any Performance Credit was due to SVCE but not paid, Service Provider shall immediately owe to SVCE the applicable Performance Credit.

5. Support; Maintenance; Additional Services.

5.1 Technical Support. Service Provider shall provide the Technical Support as described in Exhibit A. The Services Fees shall be inclusive of the fees for the Technical Support.

5.2 Maintenance. Service Provider shall provide bug fixes, corrections, modifications, enhancements, upgrades, and new releases to the Services to ensure: (a) the functionality of the Services, as described in the Documentation, is available to Authorized Users; (b) the functionality of the Services in accordance with the representations and warranties set forth herein, including but not limited to, the Services conforming in all material respects to the specifications, functions, descriptions, standards, and criteria set forth in Exhibit A and the Documentation; (c) the Service Level Standards can be achieved; (d) web-based Services work with the then-current version and the versions released in the prior five (5) years of Edge, Safari, Mozilla Firefox, and Google Chrome Internet browsers; and, (e) mobile app Services work with the then-current version and the three prior versions of Apple iOS and Google Android mobile operating systems. The Services Fees shall be inclusive of the fees for maintenance except where explicitly stated in Exhibit A.

5.2.1 Required Notice of Maintenance. Unless as otherwise agreed to by SVCE on a case-by-case basis, Service Provider shall provide no less than thirty (30) calendar day's prior written notice to SVCE of all non-emergency maintenance to be performed on the Services, such written notice including a detailed description of all maintenance to be performed. For emergency maintenance, Service Provider shall provide as much prior notice as commercially practicable to SVCE and shall provide a detailed description of all maintenance performed no greater than one (1) calendar day following the implementation of the emergency maintenance.

- 5.2.2 Acceptance of Non-Emergency Maintenance. For non-emergency maintenance, only on an exceptional basis and upon written request to the Service Provider shall SVCE have a mutually agreed-upon period to test any maintenance changes prior to Service Provider introducing such maintenance changes into production (the “Maintenance Acceptance Period”). In the event that SVCE rejects, for good cause, any maintenance changes during the Maintenance Acceptance Period, Service Provider shall not introduce such rejected maintenance changes into production. At the end of the Maintenance Acceptance Period, if SVCE has not rejected the maintenance changes, the maintenance changes shall be deemed to be accepted by SVCE and Service Provider shall be entitled to introduce the maintenance changes into production.
- 5.3 Customization / Integration Services. Service Provider shall provide the Customization / Integration Services, if any, described in Exhibit A. The Services Fees shall be inclusive of the fees for the Customization / Integration Services.
- 5.4 Training Services. Service Provider shall provide the Training Services, if any, described in Exhibit A. The Services Fees shall be inclusive of the fees for the Training Services.
6. Audit Rights of Service Provider. Service Provider shall have no right to conduct an on-premises audit of SVCE’s compliance with the use of the Services. No more than once annually, Service Provider shall have the right to request from SVCE its certification of compliance with the permitted number of Authorized Users. Where the actual number of users exceeds the permitted number of Authorized Users, SVCE, at SVCE’s sole election shall, within thirty (30) business days: (a) reduce the actual number of users so as to be in compliance with the permitted number of Authorized Users in which case no additional Services Fees shall be due to Service Provider; or, (b) acquire the appropriate number of Authorized Users’ licenses at the rate specified in Exhibit A so as to be in compliance with the permitted number of Authorized Users.
7. Change Control Procedure. SVCE may, upon written notice, request changes to the scope of the Services under Exhibit A. If SVCE requests an increase in the scope, SVCE shall notify Service Provider, and, not more than five (5) business days (or other mutually agreed upon period) after receiving the request, Service Provider shall notify SVCE whether or not the change has an associated cost impact. If SVCE approves, SVCE shall issue a change order, which will be executed by the Service Provider. SVCE shall have the right to decrease the scope, and the associated fees will be reduced accordingly.
8. Termination; Renewals.
- 8.1 Termination for Convenience. Without limiting the right of a party to terminate this Agreement as provided for in this Agreement, SVCE may terminate this Agreement for convenience upon not less than two (2) months’ prior written notice to the Service Provider.
- 8.2 Termination for Cause. Without limiting the right of a party to immediately terminate this Agreement for cause as provided for in this Agreement, if either party materially breaches any of its duties or obligations hereunder and such breach is not cured, or the breaching party is not diligently pursuing a cure to the non-breaching party’s sole satisfaction, within thirty (30) calendar days after written notice of the breach, the non-breaching party may terminate this Agreement for cause as of a date specified in such notice.
- 8.3 Payments upon Termination. Upon the termination of this Agreement, SVCE shall pay to Service Provider all undisputed amounts due and payable hereunder, if any, and Service Provider shall pay to SVCE all amounts due and payable hereunder, such as Performance Credits and prepaid fees, if any.
- 8.4 Return of SVCE Data. Upon the termination of this Agreement, Service Provider shall, within fourteen (14) business days following the termination of this Agreement, provide SVCE, without charge and without any conditions or contingencies whatsoever (including but not limited to the

payment of any fees due to Service Provider), with a final extract of the SVCE Data in the format specified by SVCE. Further, Service Provider shall certify to SVCE the destruction of any SVCE Data within the possession or control of Service Provider, in accordance with Section 13.5, but such destruction shall occur only after the SVCE Data has been returned to SVCE. This Section shall survive the termination of this Agreement.

- 8.5 Renewals. Should the Services continue beyond the Initial Term, the Services Fees for the Renewal Term may be increased no more than ten percent (10%) on an annualized per-user basis. If the proposed rate increase is between 5-10%, the Service Provider must provide SVCE with additional documentation and clear justification of why the rate increase is substantial.
9. Transition Services. Service Provider will provide to SVCE and/or to the service provider selected by SVCE (“Successor Service Provider”) assistance reasonably requested by SVCE to effect the orderly transition of the Services, in whole or in part, to SVCE or to Successor Service Provider (“Transition Services”) following the termination of this Agreement, in whole or in part. The Transition Services may include: (a) developing a plan for the orderly transition of the terminated Services from Service Provider to SVCE or Successor Service Provider; (b) if required, transferring the SVCE Data to Successor Service Provider; (c) using commercially reasonable efforts to assist SVCE in acquiring any necessary rights to legally and physically access and use any third-party technologies and documentation then being used by Service Provider in connection with the Services; (d) using commercially reasonable efforts to make available to SVCE, pursuant to mutually agreeable terms and conditions, any third-party services then being used by Service Provider in connection with the Services; and, (e) such other activities upon which the parties may agree. All applicable terms and conditions of this Agreement shall apply to the Transition Services. This Section shall survive the termination of this Agreement.
10. Fees; Billing. Any sum due Service Provider for the Services for which payment is not otherwise specified shall be due and payable thirty (30) business days after receipt by SVCE of an invoice from Service Provider.
- 10.1 Billing Procedures. Service Provider shall bill to SVCE the sums due pursuant to Exhibit A by Service Provider’s invoice, which shall contain: (a) SVCE’s purchase order number, if any, and Service Provider’s invoice number; (b) description of Services for which an amount is due; (c) the fees or portion thereof that are due; (d); taxes, if any; (e); any Performance Credits or other credits; and, (f) total amount due. Service Provider shall forward invoices to the email address of the designated SVCE program manager and invoices@svcleanenergy.org.
- 10.2 Taxes. Service Provider represents and warrants that it is an independent contractor for purposes of federal, state, and local taxes. Service Provider agrees that SVCE is not responsible to collect or withhold any such taxes, including income tax withholding and social security contributions, for Service Provider. Any and all taxes, interest, or penalties, including any federal, state, or local withholding or employment taxes, imposed, assessed, or levied as a result of this Agreement shall be paid or withheld by Service Provider.
- 10.3 Credits. Any amounts due to SVCE, such as a Performance Credit, from Service Provider may be applied by SVCE, at the sole election of SVCE, against any current or future fees due to Service Provider. Any such amounts that are not so applied by SVCE shall be paid to SVCE by Service Provider within thirty (30) calendar days following SVCE’s request. This Section shall survive the termination of this Agreement.
- 10.4 Non-binding Terms. Any terms and conditions included in a Service Provider invoice shall be deemed to be solely for the convenience of the Service Provider, and no such term or condition shall be binding upon the SVCE.
- 10.5 Auditable Records. Service Provider shall maintain accurate records of all fees billable to, and payments made by, SVCE in a format that will permit audit by SVCE for a period of no less than three (3) years from when a fee was incurred or a payment was made. The foregoing obligation of Service Provider shall survive the termination of this Agreement. After 12 months of the contract

start date, and then for the term of this Agreement, upon SVCE's written request, Service Provider shall provide SVCE with a copy of its annual American Institute of Certified Public Accountants Service Organization Control (SOC) 1 type 2 report and SOC 2 type 2 report (for all Trust Services Principles).

10.6 Billing Reviews by Third-Parties. For purposes of determining the competitiveness and appropriateness of fees charged to SVCE by Service Provider, SVCE is entitled to disclose to a third-party this Agreement, and any other data pertaining to fees paid or payable by SVCE to Service Provider.

10.7 No Suspension of Services. Service Provider shall not suspend any part of the Services where: (a) SVCE is reasonably disputing any amount due to Service Provider; or, (b) any unpaid but undisputed amount due to Service Provider is less than ninety (90) business days in arrears.

11. Representations and Warranties.

11.1 Mutual. SVCE and Service Provider represent and warrant that:

11.1.1 it is a public entity or business duly incorporated, validly existing, and in good standing under the laws of its state of incorporation;

11.1.2 it has all requisite corporate power, financial capacity, and authority to execute, deliver, and perform its obligations under this Agreement;

11.1.3 the execution, delivery, and performance of this Agreement has been duly authorized by it and this Agreement constitutes the legal, valid, and binding agreement of it and is enforceable against it in accordance with its terms, except as the enforceability thereof may be limited by bankruptcy, insolvency, reorganizations, moratoriums, and similar laws affecting creditors' rights generally and by general equitable principles;

11.1.4 it shall comply with all applicable federal, state, local, or other laws and regulations applicable to the performance by it of its obligations under this Agreement and shall obtain all applicable permits and licenses required of it in connection with its obligations under this Agreement; and,

11.1.5 there is no outstanding litigation, arbitrated matter or other dispute to which it is a party which, if decided unfavorably to it, would reasonably be expected to have a potential or actual material adverse effect on its ability to fulfill its obligations under this Agreement.

11.2 By Service Provider. Service Provider represents and warrants that:

11.2.1 it is in the business of providing the Services;

11.2.2 the Services are fit for the ordinary purposes for which they will be used;

11.2.3 it is possessed of superior knowledge with respect to the Services;

11.2.4 it acknowledges that SVCE is relying on its representation of its experience and expert knowledge, and that any substantial misrepresentation may result in damage to SVCE;

11.2.5 it knows the particular purpose for which the Services are required by SVCE;

- 11.2.6 it is the lawful licensee or owner of the Services (excluding any SVCE Data therein) and has all the necessary rights in the Services to grant the use of the Services to SVCE;
- 11.2.7 any open-source software provided by the Service Provider may be used according to the terms and conditions of the specific license under which the relevant Open-Source Software is distributed, but is provided ‘as is’;
- 11.2.8 the Services and any other work performed by Service Provider hereunder shall not infringe upon any United States or foreign copyright, patent, trade secret, or other proprietary right, or misappropriate any trade secret, of any third-party, and that it has neither assigned nor otherwise entered into an agreement by which it purports to assign or transfer any right, title, or interest to any technology or intellectual property right that would conflict with its obligations under this Agreement;
- 11.2.9 it shall disclose any third-party (which shall, for purposes of this Agreement, be deemed a subcontractor) whose intellectual property is incorporated into the Services or who is necessary for the performance of the Services for the term of this Agreement;
- 11.2.10 it has the expertise to perform the Services in a competent, workmanlike, and professional manner and in accordance with the highest professional standards;
- 11.2.11 it will use its best efforts to ensure that no computer viruses, worms, malware, or similar items (collectively, a “Virus”) are introduced into SVCE’s computing and network environment by the Services, and that, where it transfers a Virus to SVCE through the Services, it shall reimburse SVCE the actual cost incurred by SVCE to remove or recover from the Virus, including the costs of persons employed by SVCE to perform such services;
- 11.2.12 the Services are free of any mechanism which may disable the Services and Service Provider warrants that no loss of SVCE Data will result from such items if present in the Services;
- 11.2.13 in the case of SVCE’s reasonable dispute of any Service Provider invoice, it shall not withhold the performance of Services, including, without limitation, access and use of the Services, Technical Support, Maintenance, and extract of SVCE Data; and,
- 11.2.14 the Services will conform in all material respects to the specifications, functions, descriptions, standards, and criteria set forth in Exhibit A and the Documentation.
- 11.3 Any unauthorized modifications to or improper use of the Services by, or on behalf of, SVCE and its Authorized SVCE Users and Authorized Users shall render Service Provider’s warranties and obligations, as to the Service(s) improperly modified or modified without authorization, under this Agreement null and void. Although SVCE cannot warrant or represent that such unauthorized or improper modification will not occur by Authorized Users, it will include a prohibition on such unauthorized or improper modifications in its participant agreements with Authorized Users and Service Provider may include the same prohibition in its terms of use with Authorized Users.

12. SVCE Data.

- 12.1 Ownership. SVCE’s data (“SVCE Data,” which shall also be known and treated by Service Provider as Confidential Information) shall include: (a) SVCE’s and/or SVCE employees’ data collected, accessed, used, processed, stored, or generated as the result of the SVCE’s use of the Services; and, (b) personally identifiable information (“PII”) collected, used, processed, stored, or generated as the result of the use of the Services, including, without limitation, any information that identifies an

individual, such as an individual's social security number or other government-issued identification number, date of birth, address, telephone number, biometric data, mother's maiden name, email address, credit card information, or an individual's name in combination with any other of the elements listed herein. Except where subject to a third party's intellectual property rights, all SVCE Data is and shall remain the sole and exclusive property of SVCE and all right, title, and interest in the same belongs to SVCE. This Section shall survive the termination of this Agreement.

- 12.2 Service Provider Use of SVCE Data. Service Provider is provided a limited license to access SVCE Data for the sole and exclusive purpose of providing the Services, including a license to collect, process, store, generate, and display SVCE Data only to the extent necessary in the providing of the Services. Service Provider shall: (a) keep and maintain SVCE Data in strict confidence, using such degree of care as is appropriate and consistent with its obligations as further described in this Agreement and applicable law to avoid unauthorized access, use, disclosure, or loss; (b) use and disclose SVCE Data solely and exclusively for the purpose of providing the Services, such use and disclosure being in accordance with this Agreement, and applicable law; (c) allow access to SVCE Data only to those employees of Service Provider who are directly involved with and responsible for providing the Services; and, (d) not use, sell, rent, transfer, distribute, or otherwise disclose or make available SVCE Data for Service Provider's own purposes or for the benefit of anyone other than SVCE without SVCE's prior written consent. This Section shall survive the termination of this Agreement.
- 12.3 Access to, and Extraction of SVCE Data. SVCE shall have full and complete access to, and ability to download, its SVCE Data 24 hours per day, 7 days per week, except during authorized periods of maintenance by Service Provider. Further, Service Provider shall, within one (1) business day of SVCE's request, provide SVCE, without charge and without any conditions or contingencies whatsoever (including, but not limited to, the payment of any fees due to Service Provider), an extract of the SVCE Data in the format specified by SVCE. In the event SVCE gives Service Provider written notice of a "litigation hold" or request under the California Public Records Act (Gov. Code § 7920.000 *et seq.*, "Public Records Act"), then as to all data identified in such notice or request, Service Provider shall, at no additional cost to SVCE, isolate and preserve all such data pending receipt of further direction from the SVCE.
- 12.4 Backup and Recovery of SVCE Data. As a part of the Services, Service Provider is responsible for maintaining a backup of SVCE Data and for an orderly and timely recovery of such data in the event that the Services may be interrupted. Unless otherwise described in Exhibit A, Service Provider shall maintain a contemporaneous backup of SVCE Data that can be recovered within two (2) hours at any point in time. Any backups of SVCE Data shall not be considered in calculating storage used by SVCE.
- 12.5 Loss or Unauthorized Access to Data. In the event of any act, error or omission, negligence, misconduct, or breach that permits any unauthorized access to, or that compromises or is suspected to compromise the security, confidentiality, or integrity of SVCE Data or the physical, technical, administrative, or organizational safeguards put in place by Service Provider that relate to the protection of the security, confidentiality, or integrity of SVCE Data, Service Provider shall, as applicable: (a) notify SVCE as soon as practicable but no later than twenty-four (24) hours of becoming aware of such occurrence; (b) cooperate with SVCE in investigating the occurrence, including making available all relevant records, logs, files, data reporting, and other materials required to comply with applicable law or as otherwise required by SVCE; (c) in the case of PII, at SVCE's sole election, (i) notify the affected individuals who comprise the PII as soon as practicable but no later than is required to comply with applicable law including, but not limited to, the provisions of California Civil Code Section 1798.82, or, in the absence of any legally required notification period, within five (5) calendar days of the occurrence; or, (ii) reimburse SVCE for any costs in notifying the affected individuals; (d) in the case of PII, provide third-party credit and identity monitoring services to each of the affected individuals who comprise the PII for the period required to comply with applicable law, or, in the absence of any legally required monitoring services, for no less than twelve (12) months following the date of notification to such individuals; (e) perform or take any

other actions required to comply with applicable law as a result of the occurrence; (f) without limiting Service Provider's obligations of indemnification as further described in this Agreement, indemnify, defend, and hold harmless SVCE for any and all Claims (as defined herein), including reasonable attorneys' fees, costs, and expenses incidental thereto, which may be suffered by, accrued against, charged to, or recoverable from SVCE in connection with the occurrence; (g) be responsible for recreating lost SVCE Data in the manner and on the schedule set by SVCE without charge to SVCE; (h) provide to SVCE a detailed plan within ten (10) calendar days of the occurrence describing the measures Service Provider will undertake to prevent a future occurrence and (i) upon conclusion of the occurrence, or at SVCE's request, provide to SVCE a comprehensive summary of the occurrence, including reason for occurrence, details of occurrence, how occurrence was addressed and any other information required by SVCE, which shall be executed by Service Provider and may be relied upon by SVCE as a true and accurate account of the occurrence. Notification to affected individuals, as described above, shall comply with applicable law, be written in plain language, and contain, at a minimum: name and contact information of Service Provider's representative; a description of the nature of the loss; a list of the types of data involved; the known or approximate date of the loss; how such loss may affect the affected individual; what steps Service Provider has taken to protect the affected individual; what steps the affected individual can take to protect himself or herself; contact information for major credit card reporting agencies; and, information regarding the credit and identity monitoring services to be provided by Service Provider. This Section shall survive the termination of this Agreement.

13. Non-Disclosure of Confidential Information. The parties acknowledge that each party may be exposed to or acquire communication or data of the other party that is confidential, privileged communication not intended to be disclosed to third parties. The provisions of this Section shall survive the termination of this Agreement.

13.1 Meaning of Confidential Information. For the purposes of this Agreement, the term "Confidential Information" shall mean all information and documentation of a party that: (a) has been marked "confidential" or with words of similar meaning, at the time of disclosure by such party; (b) if disclosed orally or not marked "confidential" or with words of similar meaning, was subsequently summarized in writing by the disclosing party and marked "confidential" or with words of similar meaning; and, (c) should reasonably be recognized as confidential information of the disclosing party. Except for electric and gas usage information provided to Service Provider pursuant to this Agreement, the term "Confidential Information" does not include any information or documentation that was: (a) already in the possession of the receiving party without an obligation of confidentiality; (b) developed independently by the receiving party, as demonstrated by the receiving party, without violating the disclosing party's proprietary rights; (c) obtained from a source other than the disclosing party without an obligation of confidentiality; or, (d) publicly available when received, or thereafter became publicly available (other than through any unauthorized disclosure by, through, or on behalf of, the receiving party). For purposes of this Agreement, in all cases and for all matters, SVCE Data shall be deemed to be Confidential Information.

13.2 Obligation of Confidentiality. The parties agree to hold all Confidential Information in strict confidence and not to copy, reproduce, sell, transfer, or otherwise dispose of, give or disclose such Confidential Information to third parties other than employees, agents, or subcontractors of a party who have a need to know in connection with this Agreement or to use such Confidential Information for any purposes whatsoever other than the performance of this Agreement, or as required by law. The parties agree to advise and require their respective employees, agents, and subcontractors of their obligations to keep all Confidential Information confidential.

13.3 Cooperation to Prevent Disclosure of Confidential Information. Each party shall use its best efforts to assist the other party in identifying and preventing any unauthorized use or disclosure of any Confidential Information. Without limiting the foregoing, each party shall advise the other party immediately in the event either party learns or has reason to believe that any person who has had access to Confidential Information has violated or intends to violate the terms of this Agreement and each party will cooperate with the other party in seeking injunctive or other equitable relief against any such person. It is understood that SVCE is subject to the Public Records Act . If a

request under the California Public Records Act is made to view Service Provider's Confidential Information, SVCE shall notify Service Provider of the request and the date that such records will be released to the requester unless Service Provider obtains a court order enjoining that disclosure. If Service Provider fails to obtain a court order enjoining that disclosure, SVCE will release the requested information on the date specified.

13.4 Remedies for Breach of Obligation of Confidentiality. Each party acknowledges that breach of its obligation of confidentiality may give rise to irreparable injury to the other party, which damage may be inadequately compensable in the form of monetary damages. Accordingly, a party may seek and obtain injunctive relief against the breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies which may be available, to include, in the case of SVCE, at the sole election of SVCE, the immediate termination, without liability to SVCE, of this Agreement.

13.5 Surrender of Confidential Information upon Termination. Upon termination of this Agreement or an Exhibit A, in whole or in part, each party shall, within five (5) calendar days from the date of termination, return to the other party any and all Confidential Information received from the other party, or created or received by a party on behalf of the other party, which is in such party's possession, custody, or control; provided, however, that Service Provider shall return SVCE Data to SVCE following the timeframe and procedure described further in this Agreement. Should Service Provider or SVCE determine that the return of any SVCE Data or non-SVCE Data Confidential Information is not feasible, Service Provider shall destroy the data comprising such Confidential Information in compliance with the most current version of NIST standard SP800-88, or other standard acceptable to the SVCE, and shall certify the same in writing within five (5) calendar days from the date of termination to the other party.

14. Data Privacy and Information Security.

14.1 Undertaking by Service Provider. Without limiting Service Provider's obligation of confidentiality as further described herein, Service Provider shall be responsible for establishing, maintaining, and providing a written description to SVCE of, a data privacy and information security program, including physical, technical, administrative, and organizational safeguards, that comply with or are substantial similar to the security controls identified in the current version of NIST SP800-53, and that is designed to: (a) ensure the security and confidentiality of the SVCE Data; (b) protect against any anticipated threats or hazards to the security or integrity of the SVCE Data; (c) protect against unauthorized disclosure, access to, or use of the SVCE Data; (d) ensure the proper disposal of SVCE Data; and, (e) ensure that all employees, agents, and subcontractors of Service Provider, if any, comply with all of the foregoing. In no case shall the safeguards of Service Provider's data privacy and information security program used to protect SVCE Data be less stringent than the safeguards used by Service Provider for its own data.

If the Services include handling credit card information, then the Service Provider shall comply at all times with all applicable Payment Card Industry Data Security Standards (PCI-DSS). Service Provider agrees and warrants that it is responsible for the security of "cardholder data" that Service Provider possesses, stores, processes or transmits on behalf of the SVCE, and for any impact on the security of SVCE's cardholder data environment adversely affected by any failure of Company to maintain compliance with provisions of the PCI-DSS applicable to the Services.

14.2 Audit by Service Provider. At SVCE's request and sole cost to bear, Service Provider shall conduct a comprehensive independent third-party audit of its data privacy and information security program and provide such audit findings to SVCE.

14.3 Right of Audit by SVCE. Without limiting any other audit rights of SVCE, SVCE shall have the right to review Service Provider's data privacy and information security program prior to the commencement of Services and from time to time during the term of this Agreement. During the providing of the Services, upon request by SVCE and at most one (1) time per calendar year, Service

Provider agrees to complete, within forty-five (45 days) of receipt, an audit questionnaire provided by SVCE regarding Service Provider's data privacy and information security program.

- 14.4 Audit Findings. Service Provider shall implement any required safeguards as identified by SVCE or by any audit of Service Provider's data privacy and information security program.
- 14.5 Pattern of Violations. It shall be considered a material breach of this Agreement if Service Provider engages in a pattern or practice of accessing, storing, using, or disclosing the Confidential Information in violation of the contractual obligations described herein. Service Provider understands that if SVCE finds that Service Provider is engaged in a pattern or practice of accessing, storing, using, or disclosing Confidential Information in violation of this Agreement SVCE shall promptly cease all disclosures of Confidential Information to Service Provider. Service Provider further understands that if SVCE receives a customer complaint about Service Provider's misuse of data or other violation of the Disclosure Provisions, SVCE shall promptly cease disclosing that customer's information to Service Provider and shall notify the California Public Utilities Commission ("CPUC") of the complaint.
- 14.6 CPUC Compliance. Service Provider shall comply with the consumer protections concerning subsequent disclosure and use set forth in Attachment B to California Public Utilities Commission (CPUC) Decision No. 12-08-045.
- 14.7 Injunction, Specific Performance or Such Other Relief. Service Provider acknowledges that disclosure or misappropriation of any Confidential Information could cause irreparable harm to SVCE and/or SVCE Customers, the amount of which may be difficult to assess. Accordingly, Service Provider hereby confirms that the SVCE shall be entitled to apply to a court of competent jurisdiction or the CPUC for an injunction, specific performance or such other relief (without posting bond) as may be appropriate in the event of improper disclosure or misuse of its Confidential Information by Service Provider or its employees or representatives. Such right shall, however, be construed to be in addition to any other remedies available to the SVCE, in law or equity.
- 14.8 SVCE's Right to Termination for Deficiencies. SVCE reserves the right, at its sole election, to immediately terminate this Agreement without limitation and without liability if SVCE reasonably determines that Service Provider fails or has failed to meet its obligations under this Section.
15. Proprietary Rights.
- 15.1 Intellectual Property Ownership. The intellectual property of the software Services provided by the Service Provider (other than open-source software and third-party software) are, and shall remain, the property of the Service Provider, and the Service Provider reserves the right to grant a license to use its software Services to any other party or parties. SVCE acquires no rights in or to the Service Provider's software and accompanying documentation other than those expressly granted by this Agreement. SVCE shall not permit any third parties (apart from Authorized Users and Authorized SVCE Users) to access the Service Provider's software and/or Services without its prior written consent.
- 15.2 Pre-existing Materials. SVCE acknowledges that, in the course of performing the Services, Service Provider may use software and related application programming interfaces ("APIs"), algorithms, codes, designs, processes, instructions, methods, and techniques that have been previously developed by Service Provider (collectively, the "Pre-existing Materials," which shall include the Services) and that the same shall remain the sole and exclusive property of Service Provider.
- 15.3 No License. Except as expressly set forth herein, no license is granted by either party to the other with respect to the Confidential Information or Pre-existing Materials. Nothing in this Agreement shall be construed to grant to either party any ownership or other interest, in the Confidential

Information or Pre-existing Materials, except as may be provided under a license specifically applicable to such Confidential Information or Pre-existing Materials.

- 15.4 Infringement of Intellectual Property. SVCE shall use commercially reasonable efforts to prevent any infringement of the Service Provider's Intellectual Property Rights in the Service Provider Software and shall promptly report to the Service Provider any such infringement that comes to its attention.
- 15.5 No sub-license. SVCE shall not sub-license, rent, lend, assign, or transfer the software and Services of the Service Provider, to any other entity other than to Authorized SVCE Users and Authorized Users as outlined in this Agreement, without the prior written consent of the Service Provider.
- 15.6 The provisions of this Section shall survive the termination of this Agreement.
16. Indemnification; Limitation of Liability; Insurance.
- 16.1 General Indemnification. Service Provider agrees to indemnify, defend, and hold harmless SVCE and its elected officials, officers, directors, agents, attorneys and employees (each, an "Indemnitee") from and against any and all liabilities, damages, losses, expenses, claims, demands, suits, fines, or judgments (each, a "Claim," and collectively, the "Claims"), including reasonable attorneys' fees, costs, and expenses incidental thereto, which may be suffered by, incurred by, accrued against, charged to, or recoverable from any Indemnitee, by reason of any Claim arising out of or relating to any act, error or omission, negligence, or misconduct of Service Provider, its officers, directors, agents, employees, and subcontractors, during the performance of this Agreement, including, without limitation, Claims arising out of or relating to: (a) bodily injury (including death) or damage to tangible personal or real property; (b) any payment required to be paid to subcontractors, if any, of Service Provider; (c) any material misrepresentation or breach of warranty of any representation or warranty set forth in this Agreement; (d) any destruction, or unauthorized access, use, or theft of SVCE Data (collectively, "cyber theft") or, (e) any material breach of any covenant set forth in this Agreement; provided, however, that the foregoing indemnity shall not apply to the extent that the applicable Claim resulted from the sole negligence or willful misconduct of an Indemnitee.
- 16.2 Proprietary Rights Indemnification. Service Provider agrees to indemnify, defend, and hold harmless Indemnitees from and against any and all Claims, including reasonable attorneys' fees, costs, and expenses incidental thereto, which may be suffered by, incurred by, accrued against, charged to, or recoverable from any Indemnitee, by reason of any Claim arising out of or relating to the Services allegedly or actually infringing or misappropriating any United States or foreign patent, copyright, trade secret, trademark, or other proprietary right. In the event that Service Provider is enjoined from providing the Services and such injunction is not dissolved within thirty (30) calendar days, or in the event that SVCE is adjudged, in any final order of a court of competent jurisdiction from which no appeal is taken, to have infringed upon or misappropriated any patent, copyright, trade secret, trademark, or other proprietary right in the access or use of the Services, then Service Provider shall, at its expense: (a) obtain for SVCE the right to continue using such Services; (b) replace or modify such Services so that they do not infringe upon or misappropriate such proprietary right and is free to be used by SVCE; or, (c) in the event that Service Provider is unable or determines, in its reasonable judgment, that it is commercially unreasonable to do either of the aforementioned, Service Provider shall reimburse to SVCE any prepaid fees and the full cost associated with any Transition Services.
- 16.3 Indemnification Procedures. Promptly after receipt by SVCE of a threat, notice, or filing of any Claim against an Indemnitee, SVCE shall give notice thereof to Service Provider, provided that failure to give or delay in giving such notice shall not relieve Service Provider of any liability it may have to the Indemnitee except to the extent that Service Provider demonstrates that the defense of the Claim is prejudiced thereby. Service Provider shall have sole control of the defense and of all negotiations for settlement of a Claim and SVCE shall not independently defend or respond to a Claim; provided, however, that: (a) SVCE may defend or respond to a Claim, at Service Provider's

expense, if SVCE's counsel determines, in its sole discretion, that such defense or response is necessary to preclude a default judgment from being entered against an Indemnitee; and, (b) SVCE shall have the right, at its own expense, to monitor Service Provider's defense of a Claim. At Service Provider's request, SVCE shall reasonably cooperate with Service Provider in defending against or settling a Claim; provided, however, that Service Provider shall reimburse SVCE for all reasonable out-of-pocket costs incurred by SVCE (including, without limitation, reasonable attorneys' fees and expenses) in providing such cooperation.

- 16.4 Third-Party Beneficiaries. Nothing, express or implied, in this Agreement is intended to benefit, or to create or be construed to create any rights of enforcement in any persons or entities who are neither signatories to this Agreement nor Indemnitees.
- 16.5 Insurance. Unless otherwise approved in writing by SVCE's risk manager, Service Provider shall, at its own expense, procure and maintain in full force and effect during the term of this Agreement, policies of insurance, of the types and in the minimum amounts as follows, with responsible insurance carriers duly admitted and qualified in California covering the operations of Service Provider, pursuant to this Agreement: commercial general liability (\$1,000,000 per occurrence, \$2,000,000 aggregate); excess liability (\$2,000,000 per occurrence, \$2,000,000 aggregate); workers' compensation (statutory limits) and employers' liability (\$500,000 per accident); cyber liability (\$5,000,000 per occurrence) providing protection against claims and liabilities arising from: (i) errors and omissions in connection with maintaining security of SVCE Data; (ii) data breach including theft, destruction, and/or unauthorized use of SVCE Data; (iii) identity theft; and (iv) violation of privacy rights due to a breach of SVCE Data; and professional liability (\$1,000,000 per occurrence, \$1,000,000 aggregate). Any of the foregoing policy limits shall be subject to modification by the SVCE's risk manager upon thirty (30) days prior, written notice to Service Provider, and at any time prior to commencement of the Services.

The Indemnitees shall be named as additional insureds in the commercial general, cyber, and excess liability policies which shall contain standard cross liability clauses. Service Provider shall cause the liability it assumed under this Agreement to be specifically insured under the contractual liability section of the liability insurance policies. The liability policies shall be primary without right of contribution from any Indemnitee, and Service Provider waives all rights of subrogation with respect to said policies. Such policies shall require that SVCE be given no less than thirty (30) calendar days prior written notice of any cancellation thereof or material change therein. SVCE shall have the right to request an adjustment of the limits of liability for commercial general, cyber, and excess liability, and/or professional liability insurance as Service Provider's exposure to SVCE increases. Service Provider shall provide SVCE with certificates of insurance and original endorsements, evidencing all of the above coverage, including all special requirements specifically noted above, and shall provide SVCE with certificates of insurance evidencing renewal or substitution of such insurance thirty (30) calendar days prior to the effective date of such renewal or substitution.

17. General.

- 17.1 Relationship between SVCE and Service Provider. Service Provider represents and warrants that it is an independent contractor with no authority to contract for SVCE or in any way to bind or to commit SVCE to any agreement of any kind or to assume any liabilities of any nature in the name of or on behalf of SVCE. Under no circumstances shall Service Provider, or any of its staff, if any, hold itself out as or be considered an agent employee, joint venture, or partner of SVCE. In recognition of Service Provider's status as an independent contractor, SVCE shall carry no Workers' Compensation insurance or any health or accident insurance to cover Service Provider or Service Provider's agents or staff, if any. SVCE shall not pay any contributions to Social Security, unemployment insurance, federal or state withholding taxes, any other applicable taxes whether federal, state, or local, nor provide any other contributions or benefits which might be expected in an employer-employee relationship. Neither Service Provider nor its staff, if any, shall be eligible for, participate in, or accrue any direct or indirect benefit under any other compensation, benefit, or pension plan of SVCE.

- 17.2 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California and the federal laws of the United States of America. Service Provider hereby consents and submits to the jurisdiction and forum of the state and federal courts in the County of Santa Clara, State of California, in all questions and controversies arising out of this Agreement.
- 17.3 Attorneys' Fees and Costs. In any arbitration, litigation, or other proceeding, informal or formal, by which one party either seeks to enforce this Agreement or seeks a declaration of any rights or obligations under this Agreement, the non-prevailing party shall pay the prevailing party's costs and expenses, including but not limited to, reasonable attorneys' fees.
- 17.4 Compliance with Laws; SVCE Policies and Procedures. Service Provider agrees to comply with all applicable federal, state, and local laws, executive orders and regulations issued, where applicable. Service Provider shall comply with SVCE policies and procedures where the same are posted, conveyed, or otherwise made available to Service Provider.
- 17.5 Cooperation. Where agreement, approval, acceptance, consent or similar action by either party hereto is required by any provision of this Agreement, such action shall not be unreasonably delayed or withheld. Each party will cooperate with the other by, among other things, making available, as reasonably requested by the other, management decisions, information, approvals, and acceptances in order that each party may properly accomplish its obligations and responsibilities hereunder. Service Provider will cooperate with any SVCE supplier performing services, and all parties supplying hardware, software, communication services, and other services and products to SVCE, including, without limitation, the Successor Service Provider. Service Provider agrees to cooperate with such suppliers, and shall not commit or permit any act which may interfere with the performance of services by any such supplier.
- 17.6 Force Majeure; Excused Performance. Neither party shall be liable for delays or any failure to perform the Services or this Agreement due to causes beyond its reasonable control. Such delays include, but are not limited to, fire, explosion, flood or other natural catastrophe, governmental legislation, acts, orders, or regulation, strikes or labor difficulties, to the extent not occasioned by the fault or negligence of the delayed party. Any such excuse for delay shall last only as long as the event remains beyond the reasonable control of the delayed party. However, the delayed party shall use its best efforts to minimize the delays caused by any such event beyond its reasonable control. Where Service Provider fails to use its best efforts to minimize such delays, the delays shall be included in the determination of Service Level achievement. The delayed party must notify the other party promptly upon the occurrence of any such event, or performance by the delayed party will not be considered excused pursuant to this Section, and inform the other party of its plans to resume performance. A force majeure event does not excuse Service Provider from providing Services and fulfilling its responsibilities relating to the requirements of backup and recovery of SVCE Data. In no event shall any of the following constitute a force majeure event: (a) failure, inadequate performance, or unavailability of Service Provider's subcontractors, if any; or, (b) configuration changes, other changes, Viruses, or other errors or omissions introduced, or permitted to be introduced, by Service Provider that result in an outage or inability for SVCE to access or use the Services. Within thirty (30) calendar days following the Effective Date and on an annual basis thereafter until the termination of this Agreement, Service Provider shall provide its then-current business continuity plan ("Business Continuity Plan") to SVCE upon SVCE's request. The Business Continuity Plan shall include: (a) Services and SVCE Data backup and recovery procedures, including procedures and resources for disaster recovery; (b) fail-over procedures; and, (c) how Service Provider will interact with its business continuity suppliers, if any. Service Provider shall test its Business Continuity Plan on an annual basis until the termination of this Agreement and shall provide the test results to SVCE upon SVCE's request.
- 17.7 Advertising and Publicity. Service Provider shall not refer to SVCE directly or indirectly in any advertisement, news release, or publication, or use any SVCE logo, seal or mark, without prior written approval from SVCE.

- 17.8 No Waiver. The failure of either party at any time to require performance by the other party of any provision of this Agreement shall in no way affect that party's right to enforce such provisions, nor shall the waiver by either party of any breach of any provision of this Agreement be taken or held to be a waiver of any further breach of the same provision.
- 17.9 Notices. Any notice given pursuant to this Agreement shall be in writing and shall be given by personal service or by United States certified mail, return receipt requested, postage prepaid to the addresses appearing at the end of this Agreement, or as changed through written notice to the other party. Notice given by personal service shall be deemed effective on the date it is delivered to the addressee, and notice mailed shall be deemed effective on the third day following its placement in the mail addressed to the addressee.
- 17.10 Assignment of Agreement. This Agreement and the obligations of Service Provider hereunder are personal to Service Provider. Neither Service Provider nor any successor, receiver, or assignee of Service Provider shall directly or indirectly assign this Agreement or the rights or duties created by this Agreement, whether such assignment is effected in connection with a sale of Service Provider's assets or stock or through merger, an insolvency proceeding or otherwise, without the prior written consent of SVCE. In the case of an assignment by Service Provider, Service Provider represents and warrants that it has all requisite rights and power to transfer any agreements or other rights with third-parties whose software is incorporated into the Services or who are necessary for the performance and use of the Services. SVCE, at SVCE's sole election, may assign any and all of its rights and obligations under this Agreement to any company that succeeds to substantially all of SVCE's business.
- 17.11 Time is of the Essence. Time is of the essence in every provision of this Agreement in which time for performance is a factor.
- 17.12 Counterparts; Facsimile/PDF/Electronic Signature. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement. The parties agree that a facsimile, PDF or electronic signature may substitute for and have the same legal effect as the original signature.
- 17.13 Entire Agreement. This Agreement and any and all attached exhibits, each of which is incorporated by reference herein, constitute the entire agreement between the parties and supersede any and all previous representations, understandings, or agreements between SVCE and Service Provider as to the subject matter hereof. No representation or promise not expressly set forth herein shall be binding. The provisions of this Agreement shall govern over any inconsistent or conflicting provisions contained in any exhibit hereto. This Agreement may only be amended by an instrument in writing signed by the parties. This Agreement shall be construed without regard to the party that drafted it. Any ambiguity shall not be interpreted against either party and shall, instead, be resolved in accordance with other applicable rules concerning the interpretation of contracts.
- 17.14 Cumulative Remedies. All rights and remedies of SVCE herein shall be in addition to all other rights and remedies available at law or in equity, including, without limitation, specific performance against Service Provider for the enforcement of this Agreement, and temporary and permanent injunctive relief.
- 17.15 No Recourse against Constituent Members of Authority. SVCE is organized as a Joint Powers SVCE in accordance with the Joint Powers Act of the State of California (Government Code Section 6500 et seq.) pursuant to a Joint Powers Agreement dated March 31, 2016, and is a public entity separate from its constituent members. SVCE shall solely be responsible for all debts, obligations and liabilities accruing and arising out of this Agreement. Service Provider shall have no rights and shall not make any claims, take any actions or assert any remedies against any of SVCE's constituent members in connection with this Agreement.

- 17.16 Non-Discrimination. In the performance of this Agreement, Service Provider, and any subcontractor of Service Provider shall not discriminate against any employee, subcontractor or applicant for employment because of race, color, religious creed, sex, gender, gender identity, gender expression, marital status, national origin, ancestry, age, physical disability, mental disability, medical condition, genetic information, sexual orientation, military or veteran status, or other basis prohibited by law, except as provided in Government Code section 12940. Service Provider shall have responsibility for compliance with this Section.
- 17.17 Conflict Of Interest. Service Provider warrants that it, its officers, employees, associates and subcontractors, presently have no interest, and will not acquire any interest, direct or indirect, financial or otherwise, that would conflict in any way with the performance of this Agreement, and that it, its officers, employees, associates and subcontractors, will not employ any person having such an interest. Service Provider and its officers, employees, associates and subcontractors, if any, shall comply with all conflict of interest statutes of the State of California applicable to Service Provider's services under this Agreement, including the Political Reform Act (Gov. Code § 81000, et seq.) and Government Code Section 1090. During the term of this Agreement, Service Provider may perform similar services for other clients, but Service Provider and its officers, employees, associates and subcontractors shall not, without the SVCE Representative's prior written approval, perform work for another person or entity for whom Service Provider is not currently performing work that would require Service Provider or one of its officers, employees, associates or subcontractors to abstain from a decision under this Agreement pursuant to a conflict of interest statute. Service Provider shall incorporate a clause substantially similar to this Section into any subcontract that Service Provider executes in connection with the performance of this Agreement. Service Provider understands that it may be required to fill out a conflict of interest form if the services provided under this Agreement require Service Provider to make certain governmental decisions or serve in a staff SVCE, as defined in Title 2, Division 6, Section 18700 of the California Code of Regulations.
- 17.18 Severability. If any provision in this Agreement is held by a court of competent jurisdiction to be illegal, invalid, void, or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.
- 17.19 Final Payment Acceptance Constitutes Release. The acceptance by Service Provider of the final payment made under this Agreement shall operate as and be a release of SVCE from all claims and liabilities for compensation to Service Provider for anything done, furnished or relating to Service Provider's work or services. Acceptance of payment shall be any negotiation of SVCE's check or the failure to make a written extra compensation claim within ten calendar days of the receipt of that check. However, approval or payment by SVCE shall not constitute, nor be deemed, a release of the responsibility and liability of Service Provider, its employees, subcontractors and agents for the accuracy and competency of the information provided and/or work performed; nor shall such approval or payment be deemed to be an assumption of such responsibility or liability by SVCE for any defect or error in the work prepared by Service Provider, its employees, subcontractors and agents.
- 17.20 SVCE's Rights to Employ Other Consultants. SVCE reserves the right to employ other consultants in connection with the subject matter of the Services.
- 17.21 Inserted Provisions. Each provision and clause required by law to be inserted into the Agreement shall be deemed to be enacted herein, and the Agreement shall be read and enforced as though each were included herein. If through mistake or otherwise, any such provision is not inserted or is not correctly inserted, the Agreement shall be amended to make such insertion on application by either party.
- 17.22 Captions and Terms. The captions in this Agreement are for convenience only, are not a part of the Agreement and in no way affect, limit or amplify the terms or provisions of this Agreement.

- 17.23 Exhibits. The Exhibits referenced in this Agreement are attached hereto and incorporated herein by this reference as though set forth in full in the Agreement. If any inconsistency exists or arises between a provision of this Agreement and a provision of any exhibit, or between a provision of this Agreement and a provision of Service Provider's proposal, the provisions of this Agreement shall control.
- 17.24 Successors and Assigns. The terms and conditions of this Agreement shall be binding on the successors and assigns of the parties to this Agreement.

Executed on the dates set forth below by the undersigned authorized representative of SVCE and Service Provider to be effective as of the Effective Date.

DRAFT

RECOMMENDED FOR APPROVAL

Justin Zagunis, Director of Decarbonization Policy and Programs

RECOMMENDED FOR APPROVAL

Amrit Singh, Chief Financial Officer/Director of Administrative Services

SILICON VALLEY CLEAN ENERGY (SVCE)

By:

Name: Monica Padilla

Title: Chief Executive Officer

Date:

Address for Notice:

Email: justin.zagunis@svcleanenergy.org

Mailing Address: 333 W El Camino Real #330, Sunnyvale, CA 94087

ROCK RABBIT INC. (SERVICE PROVIDER)

By:

Name: Aimee Bailey

Title: Chief Executive Officer

Date:

Address for Notice:

Email: aimee@rockrabbit.ai

Mailing Address: 2021 Fillmore St PMB2040, San Francisco, CA 94115

EXHIBIT A

STATEMENT OF SERVICES, SUPPORT, AND SERVICE LEVEL AGREEMENT

This Exhibit A - Statement of Services and Service Level Agreement shall be incorporated in and governed by the terms of that certain Master Software as a Service Agreement by and between **SILICON VALLEY CLEAN ENERGY** (“SVCE”) and **ROCK RABBIT INC.** (“Service Provider”) dated May 9, 2024 (“Agreement”). In the event of a conflict between the provisions contained in the Agreement and those contained in this Exhibit A, the provisions contained in the Agreement shall prevail.

OVERVIEW

Summary. Service Provider will partner with SVCE to deploy solution to enable SVCE customers and local installers to easily find, stack, and claim incentives from SVCE and non-SVCE sources for home electrification projects.

The two overarching pilot objectives are to demonstrate:

- 1) lowering participation barriers for claiming incentives; and
- 2) reducing administrative costs for SVCE for implementing incentive programs.

The client-facing software solution consists of:

- An SVCE-branded web app for SVCE residential customer access and usage; and,
- A Rock Rabbit branded mobile app and web app for local installers, with SVCE co-branding included to SVCE’s requirements.

The initial pilot term will focus on three core end uses, where additional end uses may be added in subsequent phases:

- heat pump water heating;
- heat pump HVAC; and,
- induction stoves.

The pilot will include the following languages, where additional languages (e.g. Chinese, Vietnamese) may be added in subsequent phases:

- English, and
- Spanish.

Services Description. Service Provider shall provide the following Services to SVCE through this Agreement:

- a) Residential Incentive Service development, configuration, integration, and deployment;
- b) Residential Incentive Service delivery;
- c) Marketing Services;
- d) Technical Support Services;
- e) Training Services; and,
- f) Evaluation and Assessment Services.

Core functionality of the Service Provider’s tool includes:

- a) Incentive Discovery: Ability for Authorized User to easily find current information on relevant incentives for home upgrade projects. Relevant incentives include both SVCE incentives and incentives from non-SVCE sources, such as federal, state, regional and local programs.
- b) Eligibility Navigation: Ability for Authorized User to view and navigate incentive eligibility requirements for projects, including incentive “stacking”, eligible equipment, and equity-related requirements.
- c) Incentive Claims: Ability for Authorized User to submit incentive claims via a single application checklist of all information and documentation requirements.

- d) Collaborator Invitation: Ability for Authorized User to invite collaborators to a project, such as a family member, installer, or other project stakeholder.
- e) Request a Contractor: Ability for Authorized User to connect with a local installer in two ways. First, Authorized Users can view a directory of local installers that includes contact information, in order to conduct self-service outreach. Second, the Authorized Users can request a contractor via a button in the app after a project has been created.

TASK 1: SET-UP

Task 1.1: Residential Incentive Services development, configuration, integration, and deployment. Service Provider will deliver the following services by the end of the initial set-up period.

- a) Customization of Rock Rabbit’s white-labeled app for residential customers to SVCE branding and design;
- b) Incorporation of SVCE co-branding into the Rock Rabbit branded app for installer usage;
- c) Localization of Rock Rabbit’s platform to SVCE’s service territory (incentive / program coverage, language translation, contractor directory, etc.);
- d) Complete Spanish language translation of app;
- e) Finalize contractor screening and selection methodologies for “request a contractor” functionality;
- f) Finalize standard operating procedures and response time standards for customer support;
- g) Finalize review and incorporation of terms and conditions for Authorized Users to be included in the app;
- h) Integration with SVCE’s Salesforce program portfolio tool;
- i) Finalize plan for integration with SVCE’s existing programs, e.g., FutureFit Homes incentives, Go Electric Advisor, Single-Family Installation, and eHub 2.0
- j) Demonstration of the core functionalities
 - 1. Incentive Discovery
 - 2. Eligibility Navigation
 - 3. Incentive Claims
 - 4. Collaborator Invitation
 - 5. Request a Contractor
- k) Finalize evaluation, measurement & verification plan (EM&V Plan) and Service Provider’s role and contributions;
- l) Configure platform to track and report KPIs, in accordance with EM&V Plan;
- m) Market to local installers and onboard onto platform;
- n) Support SVCE to develop marketing materials for residential customers; and,
- o) Implement soft launch of platform from August through September 2024.

The scope of SVCE and non-SVCE incentives and programs that will be supported in Rock Rabbit’s platform are itemized in the table below. In the first year, Service Provider will support heat pump water heating, heat pump HVAC, and induction cooktop/range incentives and their associated add-ons (i.e., electric panel upgrades, pre-wiring, etc.) sponsored by SVCE and other providers in the SVCE territory. In the second year onward, coverage could expand to include support for EV charging, solar, and storage incentives from SVCE and other partners.

Program	End Use	Incentive support		
		Eligibility, stacking and braiding	Application requirements + document collection	End-to-end submission
SVCE FutureFit Homes	HPWH, HVAC, Induction Cooktop/Range, Panel upgrade, Pre-wiring	Yes	Yes	Yes
SVCE Single-Family Installation (Market Rate, Emergency and Low-Income Direct Install)	HPWH	Yes	Yes	Yes
California Energy Smart Homes	HPWH, HVAC, Induction Cooktop/Range, Clothes Dryer, Panel upgrade	Yes	Yes	N/A (TBC) – to be confirmed if program allows third party application support
TECH Market Rate + Equity	HWPB, HVAC	Yes	Yes	Yes
Golden State Rebates	HPWH	Yes	Yes	Yes
BayREN Home+	Induction Cooktop/Range, Duct Replacement, Air Sealing, Insulation	Yes	Yes	N/A - program doesn't support "designated applicants"
25C Tax Credit	HPWH, HVAC	Yes	N/A	N/A
GoGreen Financing	HPWH, HVAC, Induction Cooktop/Range, Electrification	Yes	N/A - varies by lender	N/A - varies by lender
IRA Funds	HPWH, HVAC, Induction Cooktop/Range, Electrification	Yes (TBC)	Yes (TBC)	TBD

Within ten business days of the Service Provider's delivery, SVCE shall review the additional integration, customization or feature itemized in the description of the services to confirm that it meets and confirms to the mutually agreed up on set of requirements. Should the Service Provider fail in any material respect to conform with the requirements, SVCE shall give the Service Provider a detailed description of any such non-conformance, in writing, within the ten-day review period. If SVCE does not provide any written comments in the ten-day period described above, or the new integration/customization/feature is found to conform with SVCE's requirements, then

the Service Provider shall consider its work to be deemed accepted and will deploy the work into a production environment ready for use by the Authorized Users.

TASK 2: DELIVERY

Task 2.1: Residential Incentive Services delivery. According to the start and end dates defined below, the Service Provider shall provide Residential Incentive Services for Authorized Users. The Service Provider will manage ongoing new releases and updates to the Residential Incentive Service as it deems necessary to maintain functionality, performance and compatibility. Service Provider shall also provide an application designed with SVCE branding, which allows SVCE customers (Authorized Users) to easily find and stack incentives for home upgrade projects, claim incentives via a single application checklist of all information and documentation requirements, invite collaborators to a project, such as a family member, installer, or other project stakeholder, request a local installer, and view light educational content.

Task 2.2: Marketing Services. Service Provider shall provide core Marketing Services at no additional cost to SVCE to onboard local installers onto the platform. These Marketing Services will be designed and executed by the Service Provider and may include phone outreach, targeted email, and social media campaigns, communications via industry associations and forums, online advertising, customer referrals, and referrals from third parties including hardware manufacturers. Any marketing materials that are co-branded or use SVCE's name must be approved by SVCE. When requested by SVCE and where practical, the Service Provider will support SVCE in designing and executing its own customer outreach campaigns.

Task 2.3: Technical Support Services. Service Provider will provide to Authorized SVCE Users and Authorized Users email support ("Technical Support") with responses to any queries raised to svce@rockrabbit.ai within 3 business days. Technical Support will include any research and resolution activity performed by Service Provider.

- a) Scope of Technical Support. Technical Support shall be provided in English and Spanish and shall include assisting SVCE and/or its Authorized Users with general inquiries in connection with the Services, remote diagnosis (and where possible) correction of any errors/bugs/failures to ensure that the Authorized User is provided with the functionalities described above, and responding to SVCE with all reasonable requests for information or assistance as soon as reasonably practicable.
- b) Service Provider's Obligations. Service Provider shall have no obligation to provide Technical Support where questions or faults rise from i) contractor vetting and selection, ii) appliance selection and performance, and iii) home upgrade project execution and performance. The Service Provider will not provide or be under any obligation to provide on-site Technical Support.
- c) SVCE's Obligations. SVCE shall cooperate with the Service Provider in any manner reasonably required in order to carry out Technical Support Services, including provision of information and data, making available Authorized SVCE Users, and providing any information in relation to the diagnosis of any errors, bugs or failures.

Task 2.4: Training Services. Service Provider shall provide Authorized SVCE Users with a one-time online training session of the application's full functionality. In addition, Service Provider shall provide all new Authorized Users with on-boarding instructions, web-based FAQs, and/or pre-recorded on-boarding tutorials available via web access. Training for Authorized Users will cover the core functionality of the app. Any additional training required by SVCE shall be provided at the Service Provider's standard rates then in force.

TASK 3: WRAP-UP

Task 3.1: Evaluation and Assessment Services. Service Provider shall deliver a final report summarizing pilot results, including usage statistics, feedback from user surveys (SVCE customers and local installers), and synthesized lessons learned. Service Provider will also coordinate as needed with SVCE and third parties on independent analysis included in the EM&V Plan, as discussed and agreed during the set-up period.

SCHEDULE, FEES, SERVICE LEVEL

Start Date and End Date. The pilot is divided into 3 phases, with the following Services delivered by phase.

1. TASK 1: SET-UP: 5-month set-up period (May – Sep 2024):
 - a. Residential Incentive Service development, configuration, integration with SVCE’s existing systems
2. TASK 2: DELIVERY: 6-month delivery period (Oct 2024 – Sep 2025):
 - a. Residential Incentive Service delivery
 - b. Marketing Services
 - c. Technical Support Services
 - d. Training Services
3. TASK 3: WRAP-UP: 1-month wrap-up period (Oct 2025):
 - a. Evaluation and Assessment Services

Any bespoke development, configuration and deployment services will be delivered according to the timelines laid out in Exhibit B, or as mutually agreed upon by SVCE and Service Provider in writing.

Services Fees. This Agreement will be governed by a usage-based pricing model, where usage is defined in terms of the number of “Submissions”. A Submission has occurred when one or more incentive claim application(s) is submitted using Rock Rabbit for a project, where a project is defined as a single end use (e.g., heat pump water heating installation, heat pump HVAC installation, induction stove purchase). Note that a Submission may be initiated by an installer if the incentive is a midstream program (e.g., TECH). For the avoidance of doubt, all incentive applications for a project will count as a single “Submission” for the purposes of defining Service Provider platform usage. Furthermore, if multiple end uses are upgraded (e.g., both HVAC and water heating), each end use is treated as a separate project and relevant incentive applications for each end use are counted as distinct “Submissions”. The minimum commitment is up to 50 Submissions at a minimum price of \$3,750 per month (“Minimum Commitment”). Service Provider will charge SVCE fees in accordance with the number of Submissions as shown in the table below.

No. of Submissions per month	Fees per month
0 to 50	\$3,750
51 to 100	\$6,500
101 to 200	\$11,000
201 to 500	\$22,500
> 500	+ \$10,500 for every 300 incremental Submissions

These prices will be reviewed by the Service Provider on an annual basis, where they may be revised by the Service Provider by a maximum of 10%. Invoices will be prepared on a monthly basis and the Service Provider shall only invoice SVCE based on the number of Submissions completed during the full preceding calendar month.

Technical Support Description. There are two primary categories of incidents which could occur.

- a) App issues, where the application provided by the Service Provider is not delivering core functionality.
- b) Incentive issues, where Authorized User(s) and/or their local installer(s) have detailed questions on incentive eligibility and/or claims.

For app issues, Service Provider shall work with Authorized Users who raise an issue with the app to troubleshoot and/or identify the root cause of the issue, release a fix in the subsequent app update where feasible, and email the affected User(s) explaining the cause of the error/discrepancy and outlining resolutions including but not limited to an update to the app. Service Provider will regularly issue updates to the app to ensure continued compatibility.

For incentive eligibility and claims issues, Service Provider shall support Authorized Users in resolving questions and issues related to incentive eligibility and/or claims. For issues that necessitate involvement with SVCE, Service Provider shall notify SVCE of the issue and work with SVCE and the affected User(s) through resolution. For issues that necessitate involvement with non-SVCE program administrators, Service Provider shall endeavor to work with the program administrators and affected User(s) to achieve a satisfactory outcome.

Service Levels.

a) Availability Service Level.

1) Definitions.

- (a) "Actual Uptime" shall mean the total minutes in the reporting month that the Services were actually available to Authorized Users for normal use.
- (b) "Maintenance Window" shall mean the total minutes in the reporting month represented by the following day(s) and time(s) during which Service Provider shall maintain the Services, to be mutually agreed upon by SVCE and the Service Provider.
- (c) "Scheduled Downtime" shall mean the total minutes in the reporting month represented by the Maintenance Window.
- (d) "Scheduled Uptime" shall mean the total minutes in the reporting month less the total minutes represented by the Scheduled Downtime.

2) Service Level Standard. Services will be available to Authorized Users for normal use 99% of the Scheduled Uptime.

3) Calculation. $(\text{Actual Uptime} / \text{Scheduled Uptime}) * 100 = \text{Percentage Uptime}$ (as calculated by rounding to the second decimal point)

4) Performance Credit.

- (a) Where Percentage Uptime is greater than or equal to 99%, no Performance Credit will be due to SVCE.
- (b) Where Percentage Uptime is less than 99%, SVCE shall be due a Performance Credit proportional to the % reduction in Percentage Uptime for the reporting quarter.

5) Example Calculation.

- (a) Assuming reporting month is February 2012 (41,760 minutes).
- (b) Assuming a Maintenance Window of Sundays from Midnight to 4:00 a.m. Eastern Standard Time (equals Scheduled Downtime of 960 minutes).
- (c) Scheduled Uptime equals 40,800 minutes (total minutes of 41,760 in February 2012 less 960 minutes of Scheduled Downtime).
- (d) Assuming Actual Uptime of 40,000 minutes. A Percentage Uptime is calculated as follows: $(40,000 / 40,800) * 100 = 98.04\%$.
- (e) The threshold of 99% less the Percentage Uptime of 98.04% = 0.96%.
- (f) SVCE is due 0.96% of \$10,000 as a Performance Credit.

1. b) Technical Support Problem Response Service Level.
 - 1) Definition. “Total Problems” shall mean the total of problems occurring in the reporting month.
 - 2) Service Level Standard. The Service Provider will respond to two categories of problems associated with delivery of the Services:
 - i) Problems that shall be investigated and resolved within 5 working days if the problem prevents >25% of Authorized Users from accessing the Services.
 - ii) Problems that shall be investigated and resolved within 15 working days if >25% of Authorized Users are able to access the Services, but are unable to access a specific non-core functionality delivered by the Service Provider.
1. 3) Calculation. Performance Credit = (Number of problems occurred in any one calendar month) x 25% x \$10,000.
 - 4) Performance Credit. Performance Credit will be issued up to a maximum of \$5,000 in any calendar month.
1. 5) Example Calculation (Using Problem Severity Level 1 – 2).
 - (a) Number of problems occurred in any one calendar month = 2.
 - (b) Performance credit = 2 x 0.25 x \$10,000 = \$5,000

1.

**Exhibit B
Schedule of Performance**

Consultant shall perform the Services so as to complete each task by the due date specified below. The time to complete each task may be increased or decreased by written agreement of the project managers for Consultant and Authority so long as all work is completed within the term of the Agreement.

Table B-1 Schedule of Performance		
Task	Deliverables	Start Date – End Date
TASK 1: SET-UP (5 months)		May 8 – Sep 30, 2024
Task 1.1: Residential Incentive Service development, configuration, integration with SVCE’s existing systems	<ul style="list-style-type: none"> a) Customization of Rock Rabbit’s white-labeled app for residential customers to SVCE branding and design; b) Incorporation of SVCE co-branding into the Rock Rabbit branded app for installer usage; c) Localization of Rock Rabbit’s platform to SVCE’s service territory (incentive / program coverage, language translation, contractor directory, etc.); d) Complete Spanish language translation of app; e) Finalize contractor screening and selection methodologies for “request a contractor” functionality; f) Finalize standard operating procedures and response time standards for customer support; g) Finalize review and incorporation of terms and conditions for Authorized Users to be included in the app; h) Integration with SVCE’s Salesforce program portfolio tool; i) Finalize plan for integration with SVCE’s existing programs, e.g., FutureFit Homes incentives, Go Electric Advisor, Single-Family Installation, and eHub 2.0 j) Demonstration of the following core functionalities: <ul style="list-style-type: none"> a. Incentive Discovery b. Eligibility Navigation c. Incentive Claims d. Collaborator Invitation e. Request a Contractor k) Finalize evaluation, measurement & verification plan (EM&V Plan) and Service Provider’s role and contributions; l) Configure platform to track and report KPIs, in accordance with EM&V Plan; m) Market to local installers and onboard onto platform; n) Support SVCE to develop marketing materials for residential customers; and, o) Implement soft launch of platform from August through September 2024. 	
TASK 2: DELIVERY (12 months)		Oct 1, 2024-Sep 30, 2025
Task 2.1: Residential Incentive Service Delivery	a) Deliver residential incentive services	
Task 2.2: Marketing Services	a) Deliver marketing services	

Table B-1 Schedule of Performance		
Task	Deliverables	Start Date – End Date
Task 2.3: Technical Support Services	a) Deliver ongoing technical support via email	
Task 2.4: Training Services	a) One-time online training session of the application’s full functionality b) On-boarding instructions, web-based FAQs, and/or pre-recorded on-boarding tutorials available via web access for ongoing access	
TASK 3: WRAP-UP (1 month)		Oct 1-31, 2025
Task 3.1: Evaluation and Assessment Services	a) Final report summarizing pilot results	

DRAFT

Exhibit C
Compensation

In consideration of the services provided by Consultant described in Exhibit "A" Scope of Services and subject to the terms of the Agreement, Authority, shall pay Consultant based on the following fee schedule and terms:

The compensation to be paid to Consultant for all services described in Exhibit A "Scope of Work" shall not exceed a total of one hundred and ninety thousand dollars (\$190,000.00) for the Term of the Agreement and as set forth in Table C-1 "Total Not-to-Exceed Compensation". Any work performed or expenses incurred for which payment would result in a total exceeding the maximum amount of compensation set forth herein shall be at no cost to Authority unless previously approved in writing by Authority.

Table C-1 "Total Not-to-Exceed Compensation" illustrates not-to-exceed (NTE) amounts for each budget category and invoicing and payment terms.

Table C-1 Total Not-to-Exceed Compensation		
Tasks	Total NTE	Invoicing and payment terms
Task 1: Set-up	\$30,000	<p>Payment to be made upon achieving the following milestones:</p> <p>\$20,000 – upon delivering Task 1.1 items a-n (white-labelled app deployment)</p> <ul style="list-style-type: none"> a) Customization of Rock Rabbit’s white-labeled app for residential customers to SVCE branding and design; b) Incorporation of SVCE co-branding into the Rock Rabbit branded app for installer usage; c) Localization of Rock Rabbit’s platform to SVCE’s service territory (incentive / program coverage, language translation, contractor directory, etc.); d) Complete Spanish language translation of app; e) Finalize contractor screening and selection methodologies for “request a contractor” functionality; f) Finalize standard operating procedures and response time standards for customer support; g) Finalize review and incorporation of terms and conditions for Authorized Users to be included in the app; h) Integration with SVCE’s Salesforce program portfolio tool; i) Finalize plan for integration with SVCE’s existing programs, e.g., FutureFit Homes incentives, Go Electric Advisor, Single-Family Installation, and eHub 2.0 j) Demonstration of the following core functionalities: <ul style="list-style-type: none"> a. Incentive Discovery b. Eligibility Navigation c. Incentive Claims d. Collaborator Invitation e. Request a Contractor k) Finalize evaluation, measurement & verification plan (EM&V Plan) and Service Provider’s role and contributions; l) Configure platform to track and report KPIs, in accordance with EM&V Plan; m) Market to local installers and onboard onto platform; n) Support SVCE to develop marketing materials for residential customers;

Table C-1 Total Not-to-Exceed Compensation														
Tasks	Total NTE	Invoicing and payment terms												
		\$10,000 – upon delivering Task 1.1 item o (soft launch): o) Implement soft launch of platform from August through September 2024												
Task 2: Delivery	\$150,000	Delivery fees to be paid based on usage-based payments according to the following table. <table border="1" data-bbox="727 506 1349 758"> <thead> <tr> <th>No. of Submissions per month</th> <th>Fees per month</th> </tr> </thead> <tbody> <tr> <td>0 to 50</td> <td>\$3,750</td> </tr> <tr> <td>51 to 100</td> <td>\$6,500</td> </tr> <tr> <td>101 to 200</td> <td>\$11,000</td> </tr> <tr> <td>201 to 500</td> <td>\$22,500</td> </tr> <tr> <td>> 500</td> <td>+ \$10,500 for every 300 incremental Submissions</td> </tr> </tbody> </table> <p>Fee schedule includes delivery of all Task 2 items:</p> <ul style="list-style-type: none"> • Residential incentive services • Marketing services • Ongoing technical support • One-time training session • On-demand onboarding 	No. of Submissions per month	Fees per month	0 to 50	\$3,750	51 to 100	\$6,500	101 to 200	\$11,000	201 to 500	\$22,500	> 500	+ \$10,500 for every 300 incremental Submissions
No. of Submissions per month	Fees per month													
0 to 50	\$3,750													
51 to 100	\$6,500													
101 to 200	\$11,000													
201 to 500	\$22,500													
> 500	+ \$10,500 for every 300 incremental Submissions													
Task 3: Wrap-up	\$10,000	\$10,000 upon delivering the final report from Task 3.1												

Invoices

Monthly Invoicing: Monthly Invoicing: In order to request payment, Consultant shall submit monthly invoices to the Authority describing the services performed and the applicable charges (including a summary of the work performed during that period, personnel who performed the services, hours worked, task(s) for which work was performed). Authority shall pay all undisputed invoice amounts within thirty (30) calendar days after receipt up to the maximum compensation set forth herein. Authority does not pay interest on past due amounts.

Reimbursable Expenses

Administrative, overhead, secretarial time or overtime, word processing, photocopying, in house printing, insurance and other ordinary business expenses are included within the scope of payment for services and are not reimbursable expenses. Travel expenses must be authorized in advance in writing by Authority.

Additional Services

Consultant shall provide additional services outside of the services identified in Exhibit A only by advance written authorization from Authority Representative prior to commencement of any additional services. Consultant shall submit, at the Authority Representative’s request, a detailed written proposal including a description of the scope of additional services, schedule, and proposed maximum compensation. Any changes mutually agreed upon by the Parties, and any increase or decrease in compensation, shall be incorporated by written amendments to this Agreement.



Staff Report – Item 1e

Item 1e: Authorize the Chief Executive Officer to Execute a Long Form Resource Adequacy Agreement and any Ancillary Agreements for Resource Adequacy Capacity from High Desert Power Project, LLC

From: Monica Padilla, CEO

Prepared by: Kris Van Vactor, Director of Power Resources
Britta Bradshaw, Power Resource Manager
Owen Milligan, Associate Power Analyst

Date: 5/8/2024

RECOMMENDATION

Staff recommends that the Silicon Valley Clean Energy Authority (SVCE) authorize the Chief Executive Officer (CEO) to execute a Long Form Resource Adequacy Agreement with High Desert Power Project, LLC (“MRP RA Agreement”) and any necessary ancillary agreements and documents as follows:

- 6-Year term RA Agreement with expected delivery from January 1, 2027 through December 31, 2032; and
- 50 megawatts (MW) of baseload System and Flexible Resource Adequacy (RA) capacity from natural gas.

Execution of the MRP RA Agreement contributes substantially to meeting SVCE’s RA requirements in 2027-2032. The 6-year MRP RA Agreement exceeds the CEO’s authority under the Board-approved Energy Risk Management Policy which currently authorizes transactions for RA up to five-years in term.

The MRP RA Agreement is in process and will be structured based on standard RA transaction terms and therefore is not provided as an attachment.

EXECUTIVE COMMITTEE RECOMMENDATION

The Executive Committee unanimously voted to recommend authorizing the CEO to execute the MRP RA Agreement on April 26, 2024.

The Executive Committee discussed the following points:

- The proportion of natural gas in SVCE’s RA portfolio over time: It was noted that this proportion is trending downwards, but will never reach zero, due to the role natural gas in ensuring reliability. When SVCE first launched, nearly 100 percent of its RA portfolio was comprised of natural gas resources. Today, this proportion is about 70 percent. By 2027, when this MRP RA Agreement would begin, the proportion of natural gas would fall to about 35 percent, inclusive of this proposed agreement.
- The agreement requires board approval because the term extends one year beyond the five years for which the CEO has authority to execute. There is no need to change this execution authority at this time, because similar transactions are expected to be infrequent.
- The impact of Slice of Day RA on SVCE’s existing contracts: while Slice of Day will change the value of RA for SVCE’s existing contracts, SVCE is well positioned for compliance under the new RA framework.

BACKGROUND

Under its Resource Adequacy (RA) program, the California Public Utilities Commission (CPUC) requires load-serving entities (LSEs), including SVCE, to demonstrate in both monthly and annual filings that they have purchased capacity to contribute their share of system reliability. The program includes three distinct requirement categories: System RA, Local RA, and Flexible RA. Beginning in 2025, a new RA Slice of Day program will be implemented requiring that LSEs show capacity in each category to meet their hourly reliability needs. While hourly requirements will vary throughout each hour, month, and year, a significant amount of baseload capacity, or capacity that is available throughout all hours, will be beneficial under this Slice of Day framework.

SVCE has a need for baseload capacity that can serve as System RA and Flexible RA beginning in 2027. This agreement will contribute substantially to SVCE's ability to meet its RA obligations in 2027 and beyond at a reasonable cost to customers.

ANALYSIS & DISCUSSION

In March, SVCE launched a solicitation seeking offers that can meet its baseload RA requirements for any years between 2027-2031. SVCE received three offers. While the MRP RA Agreement extends beyond 2031, this agreement results from the most competitively-priced offer under the solicitation. The High Desert Power Project, a natural gas power plant located in San Bernardino County, will provide 50 MW of Flexible and System RA for six years (2027-2032). Natural gas capacity resources are needed to ensure reliability as California transitions to a clean, carbon-free grid. The MRP RA Agreement is for RA capacity only and will not provide energy. As such, the emissions associated with running the facility will not be attributed to SVCE's load nor reflected on its power content label.

With the inclusion of the MRP RA Agreement, SVCE expects roughly 35% of its RA needs will come from natural gas resources in 2027. This amount will decline as SVCE brings on more of its power purchase agreements for clean energy resources and storage capacity resources.

This agreement will contribute towards filling SVCE's net open RA position in these years; however, it will not meet SVCE's full remaining need during any period in 2027 and beyond. SVCE is seeking to balance price fluctuations in the RA market through a process of frequently soliciting for and procuring modestly-sized contracts throughout the years and months leading up to its compliance deadlines. SVCE will continue to manage its RA position leading up to and during the term of this RA agreement.

Vendor: High Desert Power Project, LLC is a subsidiary of Middle River Power (MRP), an asset management company with over 3,000 MW of energy resources in development and operation in the United States, including an existing agreement with SVCE: the Hanford resource providing natural gas and battery energy storage capacity.

STRATEGIC PLAN

Execution of the MRP RA Agreement supports the reliability- and compliance-focused goals of the Board adopted Strategic Plan including:

- Goal 7 – Acquire clean and reliable electricity in a cost-effective, equitable and sustainable manner
 - Measure 1 – Meet SVCE-Board directed 100% clean goals and Integrated Resource Plan directives; RPS mandates; RA obligations; and procurement mandates
- Goal 8 – Manage and optimize power supply resources to meet affordability, GHG reduction and reliability objectives
 - Measure 1 – Manage power supply portfolio and energy risk, and optimize market participation

ALTERNATIVE

Do not authorize the CEO to execute the MRP RA Agreement and, instead, seek to fill SVCE's net open RA position through future solicitations and/or bilateral agreements. Staff does not recommend due to the significant possibility of market prices increasing for capacity that can meet this need. While SVCE will continue to manage its RA position leading up to 2027-2031, this agreement can bring SVCE closer to compliance at a cost that is beneficial to customers. Failure to meet compliance obligations may result in penalties.

FISCAL IMPACT

Ultimate execution of the agreement will result in costs to SVCE starting in Fiscal Year 2026-2027 (FY 26-27), which will be reflected in the proposed budget for FY 26-27. The MRP RA Agreement is below the budget projections included in the 5-year cost projection provided during the FY 2023 to 2024 mid-year budget.



Staff Report – Item 1f

Item 1f: Authorize the Chief Executive Officer to Execute an Agreement with Strategic Energy Innovations to Host Three Climate Corps Fellows with a Not to Exceed Limit of \$216,750 for the 2024-2025 Fellowship Cycle

From: Monica Padilla, CEO

Prepared by: Pamela Leonard, Deputy Director of Marketing & Communications

Date: 5/8/2024

RECOMMENDATION

Authorize the CEO to execute the Service Agreement with Strategic Energy Innovations (Attachment 1) in substantive form, and other related documents for Climate Corps fellow hosting services in an amount not-to-exceed \$216,750 through June 30, 2025.

BACKGROUND

The Strategic Energy Innovations (SEI) Climate Corps Fellowship program is a bridge-to-career fellowship program that recruits and places rising climate professionals with local governments, non-profits, educational institutions, and for-profit partners to implement sustainability and resiliency projects. SVCE was first introduced the Climate Corps fellowship program in 2017 through the City of Cupertino's Office of Sustainability, which had a fellow focused on outreach projects for SVCE's startup phase.

Since 2017, SVCE has hosted Climate Corps fellows across teams, including an annual community outreach fellow leading education initiatives in the Energy Services and Community Relations department. The Decarbonization Programs and Policy team has fellows working on its small-to-medium business rebates and EV programs, and this past year, the Power Resources and Operations department also brought on a fellow to support emissions research and reporting.

SEI's services include recruitment for fellows along with preliminary interviews, monthly trainings for fellows, and opportunities for professional development. The Climate Corps fellowship extends over a 10-month period and the fellows receive a UC Climate Stewards certificate after the program.

ANALYSIS & DISCUSSION

The mission of the Climate Corps Fellowship is aligned with SVCE's mission to reduce the dependence on fossil fuels and fight climate change locally. Hosting Climate Corps fellows not only helps individuals interested in energy and decarbonization industries gain experience, but they also help SVCE staff with executing programs and projects that achieve our goals outlined in the board-adopted strategic plan.

An added benefit of working with this defined fellowship program is that SEI performs the recruitment effort and manages all administrative support for the fellows. Also, the fellows belong to a cohort where many SVCE member agencies also host fellows, which becomes a valuable professional network. The scope of work for SEI includes:

- Recruitment assistance
- Ongoing training and support of selected fellows

Agenda Item: 1f**Agenda Date: 5/8/2024**

- Development of metrics for fellows to measure and track progress
- Monthly follow-ups to review progress

The 2024-2024 fellowship cycle starts in September 2024 and runs until June 2025. With the proposed agreement, SVCE plans to host three fellows:

1. The Community Outreach Fellow will work in the Energy Services & Community Relations department and will mainly focus on youth engagement activities and the DIY Energy Savings Toolkit program. Additional duties may include supporting the community relations team with outreach events and other marketing initiatives.
2. The Electrification Fellow in the Decarbonization Programs and Policy team will focus on supporting the design and development of programs that aim to increase awareness of the benefits of transportation electrification and building decarbonization.
3. The Power Resources and Operation department fellow's primary role will be to research emissions of the CAISO grid, including local area, technology specific and resource-specific emissions. Other duties may include reviewing and analyzing regulatory policies related to emissions reporting.

Past fellows have gone on to receive full-time employment and job growth opportunities with SVCE, other CCAs or other energy and climate-related industries. It's proven to be an effective channel for professional development in a growing field.

STRATEGIC PLAN

Hiring three Climate Corps fellows will help achieve the following goals from the October 2023 Board-adopted Strategic Plan:

- **Goal 8:** Manage and optimize power supply resources to meet affordability, GHG reduction and reliability objectives.
- **Goal 10:** Empower customers with the awareness, knowledge and resources needed to make effective clean energy choices
- **Goal 11:** Support communication and engagement with public, private, and non-profit stakeholders to leverage our decarbonization efforts
- **Goal 14:** Coordinate development of decarbonization and resilience strategy, lead design of local policy, and design and deploy programs

ALTERNATIVE

The alternative is to not hire any Climate Corps fellows or hire fewer fellows and the work outlined within the fellow job descriptions will be distributed among staff or deferred.

FISCAL IMPACT

The fiscal impact of this agreement would be \$216,750, which will be included in the 2024-2025 FY budget, should it be approved by the SVCE board. The current 2023-2024 FY budget does account for temporary staff, inclusive of the annual Climate Corps fellows.

ATTACHMENTS

1. SEI Climate Corps Fellowship Agreement

**AGREEMENT BETWEEN THE SILICON VALLEY CLEAN ENERGY AUTHORITY
AND
STRATEGIC ENERGY INNOVATIONS
FOR
CLIMATE CORPS FELLOW HOSTING SERVICES**

THIS AGREEMENT, is entered into this 2nd day of September 2024, by and between the SILICON VALLEY CLEAN ENERGY AUTHORITY, an independent public agency, ("Authority"), and STRATEGIC ENERGY INNOVATIONS, a nonprofit organization whose address is 100 Smith Ranch Road, Suite 124, San Rafael, CA 94903 (hereinafter referred to as "Consultant") (collectively referred to as the "Parties" and individually as a "Party").

RECITALS:

A. Authority is an independent public agency duly organized under the provisions of the Joint Exercise of Powers Act of the State of California (Government Code Section 6500 *et seq.*) ("Act") with the power to conduct its business and enter into agreements.

B. Consultant possesses the skill, experience, ability, background, certification and knowledge to provide the services described in this Agreement pursuant to the terms and conditions described herein.

C. Authority and Consultant desire to enter into an agreement for Climate Corps fellow hosting upon the terms and conditions herein.

NOW, THEREFORE, the Parties mutually agree as follows:

1. **TERM**

The term of this Agreement shall commence on September 2, 2024, and shall terminate on June 30, 2025, unless terminated earlier as set forth herein.

2. **SERVICES TO BE PERFORMED**

Consultant shall perform each and every service set forth in Exhibit "A" pursuant to the schedule of performance set forth in Exhibit "B," both of which are attached hereto and incorporated herein by this reference.

3. **COMPENSATION TO CONSULTANT**

Consultant shall be compensated for services performed pursuant to this Agreement in a total amount not to exceed two-hundred and sixteen thousand and seven-hundred and fifty dollars (\$216,750.00) based on the rates and terms set forth in Exhibit "C," which is attached hereto and incorporated herein by this reference.

4. **TIME IS OF THE ESSENCE**

Consultant and Authority agree that time is of the essence regarding the performance of this Agreement.

5. **STANDARD OF CARE**

Consultant agrees to perform all services required by this Agreement in a manner commensurate with the prevailing standards of specially trained professionals in the San Francisco Bay Area under similar circumstances and in a manner reasonably satisfactory to Authority and agrees that all services shall be performed by qualified and experienced personnel. Consultant shall be responsible to Authority for any errors or omissions in the performance of work pursuant to this Agreement. Should any errors caused by Consultant be found in such services or products, Consultant shall correct the errors at no additional charge to Authority by redoing the professional work and/or revising the work product(s) called for in the Scope of Services to eliminate the errors. Should Consultant fail to make such correction in a reasonably timely manner, such correction may be made by Authority, and the cost thereof shall be charged to Consultant. In addition to all other available remedies, Authority may deduct the cost of such correction from any retention amount held by Authority or may withhold payment otherwise owed Consultant under this Agreement up to the amount of the cost of correction.

6. **INDEPENDENT PARTIES**

Authority and Consultant intend that the relationship between them created by this Agreement is that of an independent contractor. The manner and means of conducting the work are under the control of Consultant, except to the extent they are limited by statute, rule or regulation and the express terms of this Agreement. No civil service status or other right of employment will be acquired by virtue of Consultant's services. None of the benefits provided by Authority to its employees, including but not limited to, unemployment insurance, workers' compensation plans, vacation and sick leave are available from Authority to Consultant, its employees or agents. Deductions shall not be made for any state or federal taxes, FICA payments, PERS payments, or other purposes normally associated with an employer-employee relationship from any fees due Consultant. Payments of the above items, if required, are the responsibility of Consultant. Consultant shall indemnify and hold harmless Authority and its elected officials, officers, employees, servants, designated volunteers, and agents serving as independent contractors in the role of Authority officials, from any and all liability, damages, claims, costs and expenses of any nature to the extent arising from Consultant's personnel practices. Authority shall have the right to offset against the amount of any fees due to Consultant under this Agreement any amount due to Authority from Consultant as a result of Consultant's failure to promptly pay to Authority any reimbursement or indemnification arising under this section.

7. **NO RECOURSE AGAINST CONSTITUENT MEMBERS OF AUTHORITY**

Authority is organized as a Joint Powers Authority in accordance with the Joint Powers Act of the State of California (Government Code Section 6500 et seq.) pursuant to a Joint Powers Agreement dated March 31, 2016, and is a public entity separate from its constituent members. Authority shall solely be responsible for all debts, obligations and liabilities accruing and arising out of this Agreement. Consultant shall have no rights and shall not make any claims, take any actions or assert any remedies against any of Authority's constituent members in connection with this Agreement.

8. **NON-DISCRIMINATION**

In the performance of this Agreement, Consultant, and any subconsultant under the Consultant, shall not discriminate against any employee, subcontractor or applicant for employment because of race, color, religious creed, sex, gender, gender identity, gender expression, marital status, national origin, ancestry, age, physical disability, mental disability,

medical condition, genetic information, sexual orientation, military or veteran status, or other basis prohibited by law, except as provided in Government Code section 12940. Consultant shall have responsibility for compliance with this Section.

9. **HOLD HARMLESS AND INDEMNIFICATION**

A. **General Indemnification.** To the fullest extent permitted by law, Consultant shall, at its sole cost and expense, defend, hold harmless and indemnify Authority and its elected officials, officers, attorneys, agents, employees, designated volunteers, successors, assigns and those Authority agents serving as independent contractors in the role of Authority officials (collectively “Indemnitees”), from and against any and all damages, costs, expenses, liabilities, claims, demands, causes of action, proceedings, expenses, judgments, penalties, liens, and losses of any nature whatsoever, including fees of accountants, attorneys, or other professionals and all costs associated therewith and the payment of all consequential damages (collectively “Liabilities”), in law or equity, whether actual, alleged or threatened, which arise out of, are claimed to arise out of, pertain to, or relate to the acts or omissions of Consultant, its officers, agents, servants, employees, subcontractors, materialmen, consultants or their officers, agents, servants or employees (or any entity or individual that Consultant shall bear the legal liability thereof) in the performance of this Agreement, including the Indemnitees’ active or passive negligence, except for Liabilities arising from the sole negligence or willful misconduct of the Indemnitees as determined by court decision or by the agreement of the Parties. Consultant shall defend the Indemnitees in any action or actions filed in connection with any Liabilities with counsel of the Indemnitees’ choice, and shall pay all costs and expenses, including all attorneys’ fees and experts’ costs actually incurred in connection with such defense. Consultant shall reimburse the Indemnitees for any and all legal expenses and costs incurred by Indemnitees in connection therewith.

B. **Intellectual Property Indemnification.** Consultant hereby certifies that it owns, controls, or licenses and retains all right, title, and interest in and to any intellectual property it uses in relation to this Agreement, including the design, look, feel, features, source code, content, and other technology relating to any part of the services and including all related patents, inventions, trademarks, and copyrights, all applications therefor, and all trade names, service marks, know how, and trade secrets (collectively referred to as “IP Rights”), except as otherwise expressly provided by this Agreement. Consultant warrants that the services to be provided pursuant to this Agreement do not infringe, violate, trespass, or constitute the unauthorized use or misappropriation of any IP Rights of any third party. Consultant shall indemnify, defend, and hold Indemnitees, harmless from and against any Liabilities by a third party that the services to be provided pursuant to this Agreement infringe or violate any third-party’s IP Rights, provided any such right is enforceable in the United States. Such costs and expenses shall include reasonable attorneys’ fees of counsel of Authority’s choice, expert fees and all other costs and fees of litigation.

C. The acceptance of the services by Authority shall not operate as a waiver of these rights of indemnification. The hold harmless and indemnification provisions of this Section shall apply regardless of whether or not any insurance policies are determined to be applicable to the Liability.

D. Consultant’s indemnifications and obligations under this section shall survive the expiration or termination of this Agreement.

10. **INSURANCE**

A. General Requirements. On or before the commencement of the term of this Agreement, Consultant shall furnish Authority with certificates showing the type, amount, class of operations covered, effective dates and dates of expiration of insurance coverage in compliance with the requirements listed in Exhibit "D," which is attached hereto and incorporated herein by this reference. Such insurance and certificates, which do not limit Consultant's indemnification obligations under this Agreement, shall also contain substantially the following statement: "Should any of the above insurance covered by this certificate be canceled or coverage reduced before the expiration date thereof, the insurer affording coverage shall provide thirty (30) days' advance written notice to the Authority by certified mail, Attention: Chief Executive Officer." Consultant shall maintain in force at all times during the performance of this Agreement all appropriate coverage of insurance required by this Agreement with an insurance company that is acceptable to Authority and licensed to do insurance business in the State of California. Endorsements naming the Authority as additional insured shall be submitted with the insurance certificates.

B. Subrogation Waiver. Consultant agrees that in the event of loss due to any of the perils for which he/she has agreed to provide comprehensive general and automotive liability insurance, Consultant shall look solely to his/her/its insurance for recovery. Consultant hereby grants to Authority, on behalf of any insurer providing comprehensive general and automotive liability insurance to either Consultant or Authority with respect to the services of Consultant herein, a waiver of any right to subrogation which any such insurer of Consultant may acquire against Authority by virtue of the payment of any loss under such insurance.

C. Failure to Secure or Maintain Insurance. If Consultant at any time during the term hereof should fail to secure or maintain the foregoing insurance, Authority shall be permitted to obtain such insurance in the Consultant's name or as an agent of the Consultant and shall be compensated by the Consultant for the costs of the insurance premiums at the maximum rate permitted by law and computed from the date written notice is received that the premiums have not been paid.

D. Additional Insured. Authority, its members, officers, employees and volunteers shall be named as additional insureds under all insurance coverages, except any professional liability insurance, required by this Agreement. The naming of an additional insured shall not affect any recovery to which such additional insured would be entitled under this policy if not named as such additional insured. An additional insured named herein shall not be held liable for any premium, deductible portion of any loss, or expense of any nature on this policy or any extension thereof. Any other insurance held by an additional insured shall not be required to contribute anything toward any loss or expense covered by the insurance provided by this policy.

E. Sufficiency of Insurance. The insurance limits required by Authority are not represented as being sufficient to protect Consultant. Consultant is advised to confer with Consultant's insurance broker to determine adequate coverage for Consultant.

F. Maximum Coverage and Limits. It shall be a requirement under this Agreement that any available insurance proceeds broader than or in excess of the specified minimum Insurance coverage requirements and/or limits shall be available to the additional insureds. Furthermore, the requirements for coverage and limits shall be the minimum coverage and limits specified in this Agreement, or the broader coverage and maximum limits of coverage of any insurance policy or proceeds available to the named insured, whichever is greater.

11. CONFLICT OF INTEREST

Consultant warrants that it, its officers, employees, associates and subcontractors, presently have no interest, and will not acquire any interest, direct or indirect, financial or otherwise, that would conflict in any way with the performance of this Agreement, and that it, its officers, employees, associates and subcontractors, will not employ any person having such an interest. Consultant and its officers, employees, associates and subcontractors, if any, shall comply with all conflict of interest statutes of the State of California applicable to Consultant's services under this Agreement, including the Political Reform Act (Gov. Code § 81000, et seq.) and Government Code Section 1090. During the term of this Agreement, Consultant may perform similar services for other clients, but Consultant and its officers, employees, associates and subcontractors shall not, without the Authority Representative's prior written approval, perform work for another person or entity for whom Consultant is not currently performing work that would require Consultant or one of its officers, employees, associates or subcontractors to abstain from a decision under this Agreement pursuant to a conflict of interest statute. Consultant shall incorporate a clause substantially similar to this section into any subcontract that Consultant executes in connection with the performance of this Agreement. Consultant understands that it may be required to fill out a conflict of interest form if the services provided under this Agreement require Consultant to make certain governmental decisions or serve in a staff Authority, as defined in Title 2, Division 6, Section 18700 of the California Code of Regulations.

12. **PROHIBITION AGAINST TRANSFERS**

Consultant shall not assign, sublease, hypothecate, or transfer this Agreement, or any interest therein, directly or indirectly, by operation of law or otherwise, without prior written consent of Authority. Any attempt to do so without such consent shall be null and void, and any assignee, sublessee, pledgee, or transferee shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer. However, claims for money by Consultant from Authority under this Agreement may be assigned to a bank, trust company or other financial institution without prior written consent. Written notice of such assignment shall be promptly furnished to Authority by Consultant.

The sale, assignment, transfer or other disposition of any of the issued and outstanding capital stock of Consultant, or of the interest of any general partner or joint venturer or syndicate member or cotenant, if Consultant is a partnership or joint venture or syndicate or cotenancy, which shall result in changing the control of Consultant, shall be construed as an assignment of this Agreement. Control means fifty percent (50%) or more of the voting power of the corporation.

13. **SUBCONTRACTOR APPROVAL**

Unless prior written consent from Authority is obtained, only those persons and subcontractors whose names are attached to this Agreement shall be used in the performance of this Agreement.

In the event that Consultant employs subcontractors, such subcontractors shall be required to furnish proof of workers' compensation insurance and shall also be required to carry general, automobile and professional liability insurance in substantial conformity to the insurance carried by Consultant. In addition, any work or services subcontracted hereunder shall be subject to each provision of this Agreement.

Consultant agrees to include within their subcontract(s) with any and all subcontractors the same requirements and provisions of this Agreement, including the indemnity and insurance requirements, to the extent they apply to the scope of the subcontractor's work. Subcontractors hired by Consultant shall agree to be bound to Consultant and Authority in the same manner and

to the same extent as Consultant is bound to Authority under this Agreement. Subcontractors shall agree to include these same provisions within any sub-subcontract. Consultant shall provide a copy of the Indemnity and Insurance provisions of this Agreement to any subcontractor. Consultant shall require all subcontractors to provide valid certificates of insurance and the required endorsements prior to commencement of any work and will provide proof of compliance to Authority.

14. **REPORTS**

A. Each and every report, draft, work product, map, record and other document, hereinafter collectively referred to as "Report", reproduced, prepared or caused to be prepared by Consultant pursuant to or in connection with this Agreement, shall be the exclusive property of Authority. Consultant shall not copyright any Report required by this Agreement and shall execute appropriate documents to assign to Authority the copyright to Reports created pursuant to this Agreement. Any Report, information and data acquired or required by this Agreement shall become the property of Authority, and all publication rights are reserved to Authority. Consultant may retain a copy of any Report furnished to the Authority pursuant to this Agreement.

B. All Reports prepared by Consultant may be used by Authority in execution or implementation of: (1) The original project for which Consultant was hired; (2) Completion of the original project by others; (3) Subsequent additions to the original project; and/or (4) Other Authority projects as Authority deems appropriate in its sole discretion.

C. Consultant shall, at such time and in such form as Authority may require, furnish reports concerning the status of services required under this Agreement.

D. All Reports shall also be provided in electronic format, both in the original file format (e.g., Microsoft Word) and in PDF format.

E. No Report, information or other data given to or prepared or assembled by Consultant pursuant to this Agreement that has not been publicly released shall be made available to any individual or organization by Consultant without prior approval by Authority.

F. Authority shall be the owner of and shall be entitled upon request to immediate possession of accurate reproducible copies of Reports or other pertinent data and information gathered or computed by Consultant prior to termination of this Agreement or upon completion of the work pursuant to this Agreement.

15. **RECORDS**

Consultant shall maintain complete and accurate records with respect to costs, expenses, receipts and other such information required by Authority that relate to the performance of services under this Agreement, in sufficient detail to permit an evaluation of the services and costs. All such records shall be clearly identified and readily accessible. Consultant shall provide free access to such books and records to the representatives of Authority or its designees at all proper times, and gives Authority the right to examine and audit same, and to make transcripts therefrom as necessary, and to allow inspection of all work, data, documents, proceedings and activities related to this Agreement. Such records, together with supporting documents, shall be maintained for a minimum period of five (5) years after Consultant receives final payment from Authority for all services required under this agreement

16. **PARTY REPRESENTATIVES**

The Chief Executive Officer ("Authority Representative") shall represent the Authority in all matters pertaining to the services to be performed under this Agreement. Steven King

(Consultant Representative”) shall represent Consultant in all matters pertaining to the services to be performed under this Agreement.

17. **INFORMATION AND DOCUMENTS**

A. Consultant covenants that all data, reports, documents, discussion, or other information (collectively “Data”) developed or received by Consultant or provided for performance of this Agreement are deemed confidential and shall not be disclosed or released by Consultant without prior written authorization by Authority. Authority shall grant such authorization if applicable law requires disclosure. Consultant, its officers, employees, agents, or subcontractors shall not without written authorization from the Authority Representative or unless requested in writing by the Authority’s General Counsel, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement or relating to any project or property located within the Authority. Response to a subpoena or court order shall not be considered “voluntary,” provided Consultant gives Authority notice of such court order or subpoena.

B. Consultant shall promptly notify Authority should Consultant, its officers, employees, agents or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed thereunder or with respect to any project or property located within the Authority. Authority may, but has no obligation to, represent Consultant or be present at any deposition, hearing or similar proceeding. Consultant agrees to cooperate fully with Authority and to provide Authority with the opportunity to review any response to discovery requests provided by Consultant. However, Authority’s right to review any such response does not imply or mean the right by Authority to control, direct or rewrite the response.

C. It is understood that Authority is subject to the California Public Records Act (Gov. Code § 7920.000 *et seq.*). If a request under the California Public Records Act is made to view any documents Consultant provided to Authority, Authority shall notify Consultant of the request and the date that such records will be released to the requester unless Consultant obtains a court order enjoining that disclosure. If Consultant fails to obtain a court order enjoining that disclosure, Authority will release the requested information on the date specified.

D. In the event Authority gives Consultant written notice of a “litigation hold” or request under the Public Records Act, then as to all data identified in such notice or request, Consultant shall, at no additional cost to Authority, isolate and preserve all such data pending receipt of further direction from the Authority.

E. Consultant’s covenants under this section shall survive the expiration or termination of this Agreement.

18. **NOTICES**

Any notice, consent, request, demand, bill, invoice, report or other communication required or permitted under this Agreement shall be in writing and conclusively deemed effective: (a) on personal delivery, (b) on confirmed delivery by courier service during Consultant’s and Authority’s regular business hours, or (c) three Business Days after deposit in the United States mail, by first class mail, postage prepaid, and addressed to the Party to be notified as set forth below:

TO AUTHORITY:

333 W. El Camino Real
Suite 330
Sunnyvale CA 94087
Attention: Chief Executive Officer

TO CONSULTANT:

Steven King
Strategic Energy Innovations
100 Smith Ranch Rd., Suite 124
San Rafael, CA 94903

19. **TERMINATION**

In the event Consultant fails or refuses to perform any of the provisions hereof at the time and in the manner required hereunder, Consultant shall be deemed in default in the performance of this Agreement. If Consultant fails to cure the default within the time specified (which shall be determined by the Authority but shall be not less than 10 days) and according to the requirements set forth in Authority's written notice of default, and in addition to any other remedy available to the Authority by law, the Authority Representative may terminate the Agreement by giving Consultant written notice thereof, which shall be effective immediately. The Authority Representative shall also have the option, at its sole discretion and without cause, of terminating this Agreement by giving seven (7) calendar days' prior written notice to Consultant as provided herein. Upon receipt of any notice of termination, Consultant shall immediately discontinue performance.

In the event of Authority's termination of this Agreement due to no fault or failure of performance by Consultant, Authority shall pay Consultant for services satisfactorily performed up to the effective date of termination. Upon termination, Consultant shall immediately deliver to the Authority any and all copies of studies, sketches, drawings, computations, and other material or products, whether or not completed, prepared by Consultant or given to Consultant, in connection with this Agreement. Such materials shall become the property of Authority. Consultant shall have no other claim against Authority by reason of such termination, including any claim for compensation.

20. **COMPLIANCE WITH LAWS**

Consultant shall keep itself informed of all applicable federal, state and local laws, ordinances, codes, regulations and requirements which may, in any manner, affect those employed by it or in any way affect the performance of its services pursuant to this Agreement. Consultant shall, at all times, observe and comply with all such laws and regulations, including, but not limited to the Americans with Disabilities Act, the Stored Communications Act, 18 U.S.C. Section 2701, et seq., California Civil Code Sections 1798.80 through 1798.84, and the California Consumer Privacy Act, Civil Code Section 1798.100 *et seq.* Authority, and its officers and employees, shall not be liable at law or in equity by reason of the failure of the Consultant to comply with this paragraph.

Consultant represents and agrees that all personnel engaged by Consultant in performing services are and shall be fully qualified and are authorized or permitted under state and local law to perform such services. Consultant represents and warrants to Authority that it has all licenses,

permits, certificates, qualifications, and approvals required by law to provide the services and work required to perform services under this Agreement, including a business license. Consultant further represents and warrants that it shall keep in effect all such licenses, permits, and other approvals during the term of this Agreement.

21. **CONFLICT OF LAW**

This Agreement shall be interpreted under, and enforced by the laws of the State of California. The Agreement and obligations of the Parties are subject to all valid laws, orders, rules, and regulations of the authorities having jurisdiction over this Agreement (or the successors of those authorities). Any suits brought pursuant to this Agreement shall be filed with the Superior Court of the County of Santa Clara, State of California.

22. **ADVERTISEMENT**

Consultant shall not post, exhibit, display or allow to be posted, exhibited, displayed any signs, advertising, show bills, lithographs, posters or cards of any kind pertaining to the services performed under this Agreement unless prior written approval has been secured from Authority to do otherwise.

23. **WAIVER**

A waiver by Authority of any breach of any term, covenant, or condition contained herein shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant, or condition contained herein, whether of the same or a different character.

24. **INTEGRATED CONTRACT**

This Agreement represents the full and complete understanding of every kind or nature whatsoever between the Parties, and all preliminary negotiations and agreements of whatsoever kind or nature are merged herein. No verbal agreement or implied covenant shall be held to vary the provisions hereof. Any modification of this Agreement will be effective only by a written document signed by both Authority and Consultant.

25. **AUTHORITY**

The individual(s) executing this Agreement represent and warrant that they have the legal Authority and authority to do so on behalf of their respective legal entities.

26. **INSERTED PROVISIONS**

Each provision and clause required by law to be inserted into the Agreement shall be deemed to be enacted herein, and the Agreement shall be read and enforced as though each were included herein. If through mistake or otherwise, any such provision is not inserted or is not correctly inserted, the Agreement shall be amended to make such insertion on application by either Party.

27. **CAPTIONS AND TERMS**

The captions in this Agreement are for convenience only, are not a part of the Agreement and in no way affect, limit or amplify the terms or provisions of this Agreement.

28. **AUTHORITY'S RIGHTS TO EMPLOY OTHER CONSULTANTS**

Authority reserves the right to employ other consultants in connection with the subject matter of the Scope of Services.

29. **EXHIBITS**

The Exhibits referenced in this Agreement are attached hereto and incorporated herein by this reference as though set forth in full in the Agreement. If any inconsistency exists or arises between a provision of this Agreement and a provision of any exhibit, or between a provision of this Agreement and a provision of Consultant's proposal, the provisions of this Agreement shall control.

30. **FORCE MAJEURE**

Consultant shall not be liable for any failure to perform its obligations under this Agreement if Consultant presents acceptable evidence, in Authority's sole judgment, that such failure was due to acts of God, embargoes, inability to obtain labor or materials or reasonable substitutes for labor or materials, governmental restrictions, governmental regulations, governmental controls, judicial orders, enemy or hostile governmental action, civil commotion, fire or other casualty, or other causes beyond Consultant's reasonable control and not due to any act by Consultant.

31. **FINAL PAYMENT ACCEPTANCE CONSTITUTES RELEASE**

The acceptance by Consultant of the final payment made under this Agreement shall operate as and be a release of Authority from all claims and liabilities for compensation to Consultant for anything done, furnished or relating to Consultant's work or services. Acceptance of payment shall be any negotiation of Authority's check or the failure to make a written extra compensation claim within ten calendar days of the receipt of that check. However, approval or payment by Authority shall not constitute, nor be deemed, a release of the responsibility and liability of Consultant, its employees, subcontractors and agents for the accuracy and competency of the information provided and/or work performed; nor shall such approval or payment be deemed to be an assumption of such responsibility or liability by Authority for any defect or error in the work prepared by Consultant, its employees, subcontractors and agents.

32. **ATTORNEY FEES**

In any litigation or other proceeding by which a Party seeks to enforce its rights under this Agreement (whether in contract, tort or both) or seeks a declaration of any rights or obligations under this Agreement, the prevailing Party shall be entitled to recover all attorneys' fees, experts' fees, and other costs actually incurred in connection with such litigation or other proceeding, in addition to all other relief to which that Party may be entitled.

33. **SEVERABILITY**

If any provision in this Agreement is held by a court of competent jurisdiction to be illegal, invalid, void, or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

34. **SUCCESSORS AND ASSIGNS**

The terms and conditions of this Agreement shall be binding on the successors and assigns of the Parties to this Agreement.

35. **NO THIRD PARTY BENEFICIARIES INTENDED**

This Agreement is made solely for the benefit of the Parties to this Agreement and their respective successors and assigns, and no other person or entity may have or acquire a right by

virtue of this Agreement.

36. **COUNTERPARTS; FACSIMILE/PDF/ELECTRONIC SIGNATURE**

This Agreement may be executed in multiple counterparts, all of which shall be deemed an original, and all of which will constitute one and the same instrument. The Parties agree that a facsimile, PDF or electronic signature may substitute for and have the same legal effect as the original signature.

37. **DRAFTING PARTY**

This Agreement shall be construed without regard to the Party that drafted it. Any ambiguity shall not be interpreted against either Party and shall, instead, be resolved in accordance with other applicable rules concerning the interpretation of contracts.

IN WITNESS WHEREOF, the Parties have caused the Agreement to be executed as of the date set forth above.

RECOMMENDED FOR APPROVAL

Pamela Leonard, Deputy Director of Marketing and Communications

RECOMMENDED FOR APPROVAL

Amrit Singh, Chief Financial Officer/Director of Administrative Services

CONSULTANT NAME
STRATEGIC ENERGY INNOVATIONS

SILICON VALLEY CLEAN ENERGY
AUTHORITY
A Joint Powers Authority

By: _____
Name: Stephen M. Miller
Title: Deputy Director
Date: _____

By: _____
Name: Monica Padilla
Title: Chief Executive Officer
Date: _____

APPROVED AS TO FORM:

Counsel for Authority

ATTEST:

Authority Clerk

DRAFT

Exhibit A
Scope of Services

Through Climate Corps, SEI agrees to:

Recruit and assist in selection of three (3) Fellows. Fellows will average 40 hours per week including on-site work with partners, professional development, attending program training, and using their vacation, holiday, and sick time.

160 hours of vacation, holiday and sick time (VHS)

Train and support the selected Fellows with a comprehensive training program that includes a training manual, a multi-day orientation led by an array of experts, monthly trainings, a mid-year two-day retreat, and two Professional Development Assessment reviews.

Work with the Authority to develop a specific Fellowship Scope for specific Authority initiatives that aligns with Climate Corps goals and defines the Training Plan for the Fellows.

Provide assistance in defining and developing metrics for the Fellow to measure and track the progress of project activities throughout their Fellowship.

Provide monthly follow-ups to review progress with Site Supervisor and Fellows.

Define and implement any corrections to Fellows' plan determined to be necessary based on feedback collected from Fellows and Authority.

Authority agrees to:

Take part in the recruitment and interview process to identify Fellows best fitted for the specific projects' needs, with the understanding that Authority has right of refusal of any proposed Fellows.

Provide one to three specific climate resiliency initiatives that each Fellow can work on during their term of service.

Initiatives must be well-defined, approved for implementation, and include specific learning objectives.

Authority will work with SEI to finalize a mutually agreed-upon Fellowship Scopes no later than one month after the Fellows arrives on site.

Assign Site Supervisors who will be available to meet at least weekly with the Fellows for one-on-one project meeting time, coordinate other necessary staff supervision needed for successful implementation of the Fellowship Scope.

Support Fellows to complete monthly reporting to SEI indicating whether progress is being made on the initiatives.

Provide feedback on Program and Fellows effectiveness by:

Filling out and submitting a Professional Development Assessment providing feedback on Fellows activities two times a year;

Participating in program-wide conference calls to discuss program progress; and
Responding to Authority feedback surveys as requested.

Refrain from using the Fellows for displacement of a Authority employee during the Fellowship term.

Allow SEI to share results from this program through grant reporting, program marketing, and fundraising.

Provide program-wide support through either:

Sponsoring a venue and staff presentations for a monthly training event for all Fellows; or
 Participating in a program sponsored training session or professional development event.
 Being receptive to informational interview requests from 1 or more current Fellow

Program Plan

Fellow service information

[A] Number of Fellows	3
Service Term	Full Cycle: September 2, 2024 to June 30, 2025
Standard Hours	<p>Fellows will average 40 hours per week including on-site work with partners, professional development, attending program training, and using their vacation, holiday, and sick time.</p> <ul style="list-style-type: none"> • 160 hours of vacation, holiday and sick time (VHS)

Position fee

[B] Amount	\$55,000 per non-profit Fellow
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Additional funding

[C] Amount	\$15,000
Use of additional funds	<p>[Living Stipend: Additional funds will go towards enhancing Fellow’s Living Stipend. Funds will be paid out to Fellow twice a month as part of the Fellow’s regular stipend checks.]</p> <p>[End-of-Program Award: Additional funds will go towards enhancing Fellow’s end of program award.]</p> <p>[Expense reimbursements: Additional funds will be held by SEI in a reimbursement account for Program-related costs such as commuting, trainings, and other benefits. For Fellow to be reimbursed, Fellow must submit a Authority-approved Climate Corps Expense Report and to SEI. SEI will disburse the funds to Fellow within 30 days after receiving the request and following Authority approval. If, at the end of the Service Term, any funds remain in the account, SEI will transfer the remaining funds to Authority.]</p>
[D] Administration fee	Authority will pay to SEI a fee equal to 15% of the amount of additional funds.
Timing	<p>[Additional funds to be held in a reimbursement account are due at the same time as the first installment of the Program fee.]</p> <p>[Authority will pay additional funds and the administration fee</p>

	promptly following receipt of an invoice from SEI.]
Total fee	
Amount	\$216,750
Timing	Authority will pay the fee in two installments: <ul style="list-style-type: none"> • \$162,562.50 due September 15, 2024 • \$54,187.50 due December 15, 2024

Authority contact information

Contact person and title	Pamela Leonard
Email address	pamela.leonard@svcleanenergy.org
Phone number	(408) 549-2671
Mailing address	333 W. El Camino Real, Ste. 330 Sunnyvale, CA 94087
Billing contact information (if different from above)	
P.O. Number (if applicable)	

SEI contact information

Contact person and title	Steven King, Program Director
Email address	stevenking@seiinc.org
Phone number	415-507-2181
Mailing address	100 Smith Ranch Rd., Suite 124 San Rafael, CA 94903

<p>1. Additional Terms</p>	<p>1. <u>Program Initiation</u></p> <p>1. Recruitment and Selection SEI will recruit, screen, and select a Fellow to serve at Authority during the service term set out in the Program Plan (“Service Term”). Authority will assist in the recruitment and selection of Fellow, including, without limitation, developing a job description specific to Authority’s activities and needs, conducting interviews, and participating in the final selection. If Authority ultimately fails to select a Fellow, Authority will pay to SEI a \$2,500 fee for the recruiting effort promptly following receipt of an invoice from SEI.</p> <p>2. Human Resources SEI's People Resources Department requires that any Fellow hired for work at the partner site complete a satisfactory comprehensive background check, including a Federal Criminal Search, National Criminal Search, Sex Offender Search, Social Security Number Trace and Global Watchlist Search, and County Criminal Search. Any additional background or medical-related checks that the Authority requires will be the sole responsibility of the Authority. This responsibility includes administration, record-keeping, coordination and financial obligation, and/or cost of such additional checks. Additional checks required by the partner must be administered in compliance with all applicable state, federal, and/or local regulations.</p> <p>3. Employment Relationship SEI and Authority acknowledge that Fellow is an employee of SEI. SEI will notify each Fellow that Fellow is not an employee of Authority.</p> <p>4. Fellow Orientation At the start of the Service Term, SEI will provide Fellow with an orientation to the Program. Authority will provide Fellow with an orientation to Authority’s mission, programs, operations, systems, and facilities.</p> <p>5. Fellowship Scope Authority will cooperate with SEI to develop a written scope of work (“Fellowship Scope”) for each Fellow. The Fellowship Scope will: (a) outline the training plan for the Fellow, (b) describe one to three specific climate change resiliency projects that the Fellow will work on during the Service Term, and (c) define anticipated deliverables and Fellow performance and learning goals. Authority and SEI will complete the Fellowship Scope within one month after the Fellow’s first day of service.</p> <p>2. <u>Training and Support</u></p> <p>1. Fellow Training SEI will train and support the Fellow with a training program that includes: monthly trainings, a mid-year two-day retreat, an end of program symposium, and two professional development assessment reviews. Time spent by the Fellow in this training program will count as training hours under the Program Plan.</p> <p>2. Training Calendar SEI will provide a calendar of training activities to Authority and will notify</p>
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Authority of any schedule changes in advance.

3. Ongoing Support and Assistance

SEI will help Authority and Fellow develop metrics for evaluating the Fellow's progress. SEI will schedule monthly sessions with Fellow and Authority to review the Fellow's progress, and will assist the Fellow and Authority with defining or implementing any changes to the Fellowship Scope or other documents as appropriate.

4. Authority's Program-wide Support

Authority will carry out Program-wide activities reasonably requested by SEI, such as: (a) sponsoring a venue and staff presentations for a monthly training event for all Fellows, (b) participating in a Program-sponsored training session or professional development event, or (c) accepting informal interview requests from one or more other Fellows in the Program.

5. Ownership of Materials

For clarity, SEI owns all training and professional development materials and documents.

3. Fellow Responsibilities, Scheduling, and Supervision

1. Fellow Responsibilities

Authority may assign specific responsibilities to Fellow so long as they are consistent with the Fellowship Scope.

Fellow shall be required to attend or complete training as directed by Authority regarding data security, and confidentiality and other Authority policies and comply with such policies for the duration of the Term.

2. Payment to Fellow; Additional Funding

SEI will pay a living stipend ("Living Stipend") and end of program award ("End of Program Award") to Fellow during the Service Term. Authority may provide additional funding for Fellow as may be set out in the Program Plan.

3. Hours and Work Schedule

The standard number of service hours for Fellows ("Standard Hours") is set out in the Program Plan. Authority will provide Fellow with a reasonably consistent schedule during the Service Term so that Fellow can fulfill his or her Target Hours. If a Fellow is required serve as a juror, they will log that time as on-site hours with Authority and continue receiving a living allowance, healthcare coverage and, if applicable, childcare coverage regardless of any reimbursements for incidental expenses received from the court.

4. Work Environment and Resources

When in-person work is allowed, Authority will provide Fellow with adequate workspace, a reasonably comfortable work environment, access to a computer with internet connectivity, and other support resources reasonably necessary for Fellow to complete his or her work.

While working remotely, individual Site Supervisors will plan for IT logistics like computer, WiFi, and other technological equipment needed at the Fellows' home,

account and software access, and/or setting up remote VPNs. Fellows should alert their Site and Regional Supervisors immediately if they face any logistical hurdles to remote work, such as WiFi challenges, remote account access or VPNs.

We recognize that sites will have different timelines and protocols for reopening. Site Supervisors, please notify your Climate Corps Regional Supervisor in advance via email if your site plans to reopen and you will be expected to physically report to service. Please share: (1) Date of expected reopening and date you will begin to report to work on site; (2) Health and safety measures in place to minimize the threat of exposure (i.e. distancing, availability of PPE and disinfecting supplies). If your site organization has a COVID-19 policy, please share.

5. Fellow Attendance at Climate Corps Events

Authority will allow Fellow to attend all Program events, including, without limitation, orientation, monthly trainings, retreats, field trips to other Climate Corps partner sites, and the Climate Corps Symposium, so that Fellow can fulfill his or her Program training requirements and enhance his or her professional development. Time spent by the Fellow at these events will count as training hours under the Program Plan.

6. Site Supervisor

Authority will designate a paid staff supervisor ("Site Supervisor") to supervise Fellow's day-to-day activities and performance. The responsibilities of Site Supervisor include, without limitation: (a) guiding Fellow towards achieving the goals set out in the Fellowship Scope, (b) meeting with Fellow one-on-one at least weekly to discuss project(s), and (c) helping Fellow complete monthly reporting to SEI to track the progress made on the project(s). If Authority changes the Site Supervisor, Authority will provide SEI with at least 30 days' written notice setting out the name and title of the new Site Supervisor, the reason for the change, and the expected impact, if any, on the Fellowship Scope or Fellow.

4. Reporting and Recordkeeping

1. Program Reports

Authority will complete and submit all Program forms, surveys, assessments, progress reports, Fellow evaluations, and other documents requested by SEI, including a biannual professional development assessment providing feedback on Fellow activities. SEI may share results related to the Program for the purpose of grant reporting, program marketing, and fundraising.

2. Site Visits

SEI may visit Authority sites and film, photograph, and otherwise document Program and Fellow activities during normal business hours and with reasonable advance notice.

3. Recordkeeping

SEI and Authority will each maintain records relating to its Program responsibilities in a manner such that the other can evaluate compliance with this MOU. SEI and Authority will make those records available for review by the other on reasonable notice during the term of this MOU and for a period of three years after its termination.

5. Communication

1. Program Contacts

SEI and Authority will each appoint one individual to act as principal contact person and to coordinate activities in connection with the Program. The initial appointees are identified in the Program Plan. SEI and Authority each may change its contact person at any time and will so advise the other.

2. Cooperation

SEI and Authority acknowledge Fellow's success in the Program depends in large part on the effectiveness of collaboration between the parties. Both parties will provide timely access to data, information, and personnel, ensure the accuracy and completeness of data and information provided, and promptly notify one another about challenges, concerns, and successes.

3. Fellow Performance

SEI cannot guarantee specific performance results for any Fellow. Authority will notify SEI immediately of any significant problems with Fellow's professional performance or conduct, including, without limitation, failure to report to a site or unprofessional behavior. SEI will work with Authority to provide assistance or discuss an appropriate response.

Exhibit B
Schedule of Performance

This schedule may be modified with the written approval of the Authority.

Task	Begin	Complete
1. Fellow Recruitment and Interviews	June 2024	August 2024
2. Fellowship Cycle	September 2024	June 2025

Exhibit C
Compensation

Authority shall compensate Consultant for professional services in accordance with the terms and conditions of this Agreement based on the rates and compensation schedule set forth below. Compensation shall be calculated based on the hourly rates set forth below up to the not to exceed budget amount set forth below.

The compensation to be paid to Consultant under this Agreement for all services described in Exhibit “A” and reimbursable expenses shall not exceed a total of two-hundred and sixteen thousand and seven-hundred and fifty dollars (\$216,750), as set forth below. Any work performed or expenses incurred for which payment would result in a total exceeding the maximum amount of compensation set forth herein shall be at no cost to Authority unless previously approved in writing by Authority.

Task	Estimated Budget
1. Fellow Position Fee – Fellow 1	\$ 55,000
2. Fellow Living Stipend – Fellow 1	\$ 15,000
3. SEI Administrative Costs – Fellow 1	\$2,250
4. Fellow Position Fee – Fellow 2	\$ 55,000
5. Fellow Living Stipend – Fellow 2	\$ 15,000
6. SEI Administrative Costs – Fellow 2	\$2,250
7. Fellow Position Fee – Fellow 3	\$ 55,000
8. Fellow Living Stipend – Fellow 3	\$ 15,000
9. SEI Administrative Costs – Fellow 3	\$2,250
Total	\$216,750

Invoices

Invoicing: In order to request payment, Consultant shall submit two invoices per the schedule identified in Exhibit A. Authority shall pay all undisputed invoice amounts within thirty (30) calendar days after receipt up to the maximum compensation set forth herein. Authority does not pay interest on past due amounts.

Reimbursable Expenses

Administrative, overhead, secretarial time or overtime, word processing, photocopying, in house printing, insurance and other ordinary business expenses are included within the scope of payment for services and are not reimbursable expenses. Travel expenses must be authorized in advance in writing by Authority

Additional Services

Consultant shall provide additional services outside of the services identified in Exhibit A only by advance written authorization from Authority Representative prior to commencement of any additional services. Consultant shall submit, at the Authority Representative’s request, a detailed

written proposal including a description of the scope of additional services, schedule, and proposed maximum compensation. Any changes mutually agreed upon by the Parties, and any increase or decrease in compensation, shall be incorporated by written amendments to this Agreement.

Exhibit D
Insurance Requirements and Proof of Insurance

Consultant shall maintain the following minimum insurance coverage:

A. **COVERAGE:**

- (1) **Workers' Compensation:**
Statutory coverage as required by the State of California.
- (2) **Liability:**
Commercial general liability coverage with minimum limits of \$1,000,000 per occurrence and \$2,000,000 aggregate for bodily injury and property damage. ISO occurrence Form CG 0001 or equivalent is required.
- (3) **Automotive:**
Comprehensive automotive liability coverage with minimum limits of \$1,000,000 per accident for bodily injury and property damage. ISO Form CA 0001 or equivalent is required.
- (4) **Professional Liability**
Professional liability insurance which includes coverage for the professional acts, errors and omissions of Consultant in the amount of at least \$1,000,000.
- (5) **Privacy and Cybersecurity Liability**
Privacy and cybersecurity liability (including costs arising from data destruction, hacking or intentional breaches, crisis management activity related to data breaches, and legal claims for security breach, privacy violations, and notification costs of at least \$2,000,000 US per occurrence.



Staff Report – Item 1g

Item 1g: Authorize the Chief Executive Officer to Execute Engagement Letter with Hall Energy Law PC for Legal Services Related to Energy and Capacity Transaction Needs and Long-term Power Purchase Agreements

From: Monica Padilla, CEO

Prepared by: Michael Callahan, General Counsel
Zak Liske, Deputy Director of Power Resources

Date: 5/8/2024

RECOMMENDATION

Approve and authorize the Chief Executive Officer to finalize and execute the attached substantive form of the Hall Energy Law PC Engagement Letter (“New Agreement”) for legal representation related to energy and capacity transactions and negotiations and implementation of long-term Power Purchase Agreements on behalf of Silicon Valley Clean Energy Authority in an amount Not-to-Exceed (“NTE”) \$180,000 per fiscal year.

The New Agreement is evergreen and will renew automatically unless terminated by one or both parties.

BACKGROUND

In January 2019, SVCE executed a three-year Engagement Letter Agreement with Hall Energy Law PC (the “Firm”) for legal support services effective January 14, 2019 through January 13, 2022 with an NTE amount of \$100,000 (“Prior Agreement”). In January 2020, the SVCE Board authorized the Amended and Restated Agreement increasing the NTE to \$300,000 to cover increased legal support needed to carryout negotiations and execution of several power related activities. The terms, conditions, and scope of work of the Amended and Restated Agreement remained the same. In December 2020, the SVCE Board authorized Amendment No. 1 to the Amended and Restated Agreement, increasing the NTE to \$400,000, with all other terms, conditions, and scope of work remaining unchanged.

In August 2021, the SVCE Board approved an engagement letter that increased the term through June 2024 and set the NTE to \$540,000. Scope of work included contract negotiations, development of a Coordinated Operations Agreement with Central Coast Community Energy (“3CE”), legal support related to SVCE’s prepay transactions, and ongoing legal counsel related to SVCE’s long-term power purchase agreements.

ANALYSIS & DISCUSSION

Due to the number of agreements SVCE has used the Firm to negotiate and will likely continue to use for new contracts, staff requests to renew SVCE’s engagement on an evergreen basis to allow flexibility in working with outside counsel in the years to come. Hall Energy Law PC has and will continue to assist SVCE in many areas including:

- (i) EEI Master Agreements and Cover Sheets, amendments to the WSPP agreement, confirmations, and any supporting credit documentation such as parent guarantees and letters of credit (collectively, the “Energy Supply Agreements”)

Agenda Item: 1g**Agenda Date: 5/8/2024**

- (ii) the deposit account control agreement, intercreditor and collateral agency agreement, and security agreement entered into by SVCEA in its 2016 Energy Services Request for Proposals (the “Lockbox Agreements”)
- (iii) continued support in connection with the PPAs already acquired, and additional negotiations, if any, arising from the 2017 Joint RFO, the 2019 Joint RFO, and the 2020 Joint RFO with 3CE (“Joint RFO Additional Follow-Up”)
- (iv) continued support including the review, drafting, revision, negotiation and finalization of the Prepaid Energy Sales Agreement with Morgan Stanley (“MS Prepay”), and
- (v) procurement of additional renewable energy, resource adequacy, energy storage, and miscellaneous legal advice and analysis, or services related to any of the foregoing (“Other Services”).

Given Hall Energy Law PC’s extensive history with and knowledge of SVCE’s needs, its understanding of all SVCE’s existing supply contracts and its relevant experience in negotiating PPAs on SVCE’s behalf, Hall Energy Law PC, continues to be one of the law firms which can best provide legal support for power supply contracts and negotiations. With a significant need for ongoing power-related legal support services, both parties believe a new engagement letter to be appropriate.

STRATEGIC PLAN

The recommendation strongly supports Power Supply Goals #7 – “Acquire clean and reliable electricity in a cost effective, equitable and sustainable manner,” and #8 – “Manage and optimize power supply resources to meet affordability, GHG reduction and reliability objectives,” of the Board adopted 2023 Strategic Plan.

ALTERNATIVE

SVCE has other law firms on retainer, but given the extensive nature to which SVCE has utilized Hall Energy Law PC to negotiate many of SVCE’s power supply contracts, staff believes it is prudent to continue using the Firm to continue supporting the PPAs negotiated under the 2017, 2019, and 2020 Joint RFOs and to provide on-going legal support for new long-term power purchase agreements, the lockbox agreements, power prepay agreements, and power supply contracts.

FISCAL IMPACT

Enough funds have been budgeted for legal support services as part of the current fiscal year. Appropriations of funds in future years of the Agreement will be requested in upcoming budgets.

ATTACHMENT

1. Engagement Letter for Hall Energy Law PC Representation of Silicon Valley Clean Energy Authority in substantive form

HALL ENERGY LAW PC

Stephen Hall | 503-313-0755 | steve@hallenergylaw.com

April 29, 2024

VIA EMAIL

Silicon Valley Clean Energy Authority
Attention: Monica Padilla, CEO
333 W. El Camino Real, Suite 330
Sunnyvale, CA 94087
Email: monica.padilla@svcleanenergy.org

Re: Hall Energy Law PC Representation of Silicon Valley Clean Energy Authority

Dear Monica:

We are pleased that you have requested Hall Energy Law PC (the “Firm”) to continue to provide legal services to Silicon Valley Clean Energy Authority (“SVCEA”) and we thank you for the opportunity to be of assistance.

The Firm and SVCEA entered into an engagement letter dated July 1, 2021 (the “Prior Agreement”). Once fully executed, this engagement letter (the “Agreement”) shall amend, replace and supersede in its entirety the Prior Agreement.

This Agreement sets forth the scope of our engagement, the financial terms of our engagement, and all other aspects of this engagement, as follows:

1. **Scope of Engagement.** By means of this Agreement, SVCEA is engaging the Firm to continue to provide the following legal services: SVCEA’s procurement of energy, renewable energy and related products, including the review, drafting, revision, negotiation, amendment, and finalization of (i) EEI Master Agreements and Cover Sheets, amendments to the WSPP agreement, confirmations and any supporting credit documentation such as parent guarantees and letters of credit (collectively, the “Energy Supply Agreements”), (ii) the deposit account control agreement, intercreditor and collateral agency agreement, and security agreement entered into by SVCEA in its 2016 Energy Services Request for Proposals (the “Lockbox Agreements”), (iii) continued support in connection with the PPAs already acquired, and additional negotiations, if any, arising from the 2017 Joint RFO, the 2019 Joint RFO, and the 2020 Joint RFO with 3CE (“Joint RFO Additional Follow-Up”), (iv) continued support including the review, drafting, revision, negotiation and finalization of the Prepaid Energy Sales Agreement with Morgan Stanley (“MS Prepay”), and (v) procurement of additional renewable energy, resource adequacy, energy storage, and miscellaneous legal advice and analysis, or services related to any of the foregoing (“Other Services”). The legal services described in (i) through (v) above are collectively referred to herein as the “Engagement.”

2. **Term.** The term of this Agreement shall commence as of July 1, 2024 and shall continue indefinitely, unless earlier terminated as set forth herein (the “Term”), or until terminated by either party

by providing thirty (30) days' written notice of its intent to terminate this Agreement, subject to payment of any amounts owed for services previously rendered and, if requested by SVCEA, completion of any partially completed projects.

3. Fees and Hourly Rates. Our billing practice is to charge for our legal services, based primarily on the amount of time, including travel time, devoted to a matter at hourly rates for the particular professionals involved. These hourly rates are based upon these professionals' experience, expertise, and standing. I will be the attorney responsible for the performance of the Engagement and my hourly rate for this work is \$650/hr.

The Firm's hourly rates are reviewed by us from time to time, typically once a year, and any new rates would be implemented immediately after they are adopted, but no earlier than October 1, 2024, and would apply to legal services rendered after the effective date of the new rates which will be reflected on SVCEA's bill.

The Firm and SVCEA agree that SVCEA will be responsible for only fifty-five percent (55%) of the total fees associated with the following portion of the Engagement: 2017 Joint RFO.

The Firm and SVCEA agree that SVCEA will be responsible for only fifty percent (50%) of the total fees associated with the following portions of the Engagement: 2019 Joint RFO and the 2020 Joint RFO.

The total amount of legal services for the Engagement for the Term shall not exceed one hundred eighty thousand dollars (\$180,000) per fiscal year (the "NTE Cap") without the written approval of SVCEA, it being understood by SVCEA that the NTE Cap does not necessarily represent the total fees to complete all of the matters in the Engagement because of the ongoing nature of such projects. SVCEA will not be responsible for any fees incurred in excess of the NTE Cap unless expressly authorized by SVCEA in writing. If additional legal services are required that extend beyond the NTE Cap, SVCEA and the Firm shall agree in writing to the scope and cost of such additional services.

We will charge for all activities undertaken in providing legal services to SVCEA under this Agreement, including but not limited to the following: conferences, including preparation and participation; preparation and review of correspondence and other documents; legal research and telephone calls, including calls with SVCEA, other attorneys or persons involved with this matter, and governmental agencies.

4. Additional Services and Outside Expenditures. If our legal representation requires additional services provided by vendors, we will obtain SVCEA's advance approval before incurring any such additional services on SVCEA's behalf. SVCEA will be required either to pay for these outside additional services directly, or to reimburse us if we make payment for these services on SVCEA's behalf. When there are substantial expenditures involving vendors, we will require either that SVCEA pay those sums to us before we expend them, that SVCEA provide an advance deposit for such expenditures, or that SVCEA directly contract with and pay the vendor. SVCEA will not be billed for any internal Firm costs incurred on SVCEA's behalf, such as telephone (including long distance charges), word processing, secretarial overtime, firm couriers, postage (including FedEx, UPS or similar overnight delivery services), printing and photocopying performed in-house.

5. Monthly Statements and Payment Terms. Our practice will be to send a monthly statement of our charges for legal services and for reimbursement of payments made on SVCEA's behalf, if any, for outside additional services. The detail in the monthly statement will inform SVCEA of the nature and progress of our work and of the charges and expenditures being incurred.

Unless otherwise agreed, each monthly statement is fully due and payable upon receipt, but in no event later than thirty (30) days after its issuance date.

We specifically reserve the right to withdraw from representation of SVCEA and to cease performing immediately all services if we do not receive full payment of any amounts owed to us within forty-five (45) days of any statement.

6. Withdrawal From Representation. The attorney-client relationship is one of mutual trust and confidence. If you have any questions at all about the provisions of this Agreement, we invite your inquiries. We encourage our clients to inquire about any matter relating to our engagement agreements or monthly statements which may be in any way unclear or appear unsatisfactory. If SVCEA does not meet its obligation of timely payments or deposits under this Agreement, we reserve the right to withdraw from SVCEA' representation on that basis alone, subject of course to any required judicial, administrative, or other approvals.

This Agreement is also subject to termination by either party for any reason, by providing thirty (30) days' written notice. If there were to be such a termination, however, SVCEA would remain liable for all unpaid charges for services provided and expenditures advanced or incurred.

7. Duties Upon Termination of Active Representation. Upon termination of our active involvement in a particular matter for which we had previously been engaged, we will have no further duty to inform SVCEA of future developments or changes in law which may be relevant to such matter in which our representation has terminated. Further, unless SVCEA and the Firm agree in writing to the contrary, we will have no obligation to monitor renewal or notice dates or similar deadlines which may arise from the matters for which we had been engaged.

8. Document Storage Policies. The Firm's policy with regard to documents and other materials at the conclusion of a matter is to maintain them in storage for a period of no more than ten (10) years. All documents and other materials in our file will then be destroyed or discarded without notice to SVCEA. Accordingly, if there are any documents or other materials SVCEA wishes to have retrieved from its file at the conclusion of a matter, it will be necessary for SVCEA to advise us of that request to ensure that they are not destroyed.

9. Disclaimer of Guarantee. Nothing in this Agreement should be construed as a promise or guarantee about the outcome(s) of any matter which we are handling on SVCEA's behalf. Our comments about the outcome(s) of SVCEA's matter are expressions of opinion only. If we should provide SVCE with an estimate of the fees and costs which may be incurred in connection with our representation of SVCEA, it is important that you understand and acknowledge that any such estimate is merely an estimate based on numerous assumptions which may or may not prove to be correct and that any estimate is not a guarantee or agreement of what the maximum amount of fees and/or costs will be, subject to the NTE Cap set forth in Section 3 above.

10. Future Matters. Unless otherwise agreed in writing between us, all other matters referred to us for representation shall be governed by the terms of this Agreement.

11. Entire Agreement. This Agreement contains all terms of the agreement between us applicable to our representation of SVCEA, and may not be modified except by a written agreement signed by both of us.

12. Future Conflict. Our undertaking to represent SVCEA in the above matters will not act as a bar so as to prevent us from representing any existing or future client with respect to a commercial

April __, 2024
4 | Page

transaction involving SVCEA, so long as any written waivers required by the California Rules of Professional Conduct are obtained.

13. Client. The Firm's clients for the purpose of our representation are only the persons and entities identified in this Agreement. Unless expressly agreed, we are not undertaking the representation of any related or affiliated person or entity, nor any of their board members, officers, directors, agents, or employees.

If this Agreement correctly sets forth SVCEA's understanding of the scope of the services to be rendered to SVCEA by the Firm and if all of the terms set forth in this Agreement are satisfactory, then please sign this Agreement and return it to me so that we will be engaged as SVCEA's legal counsel. If the scope of services described is incorrect or if the terms set forth are not satisfactory to you, please let us know in order that we can discuss either aspect.

I look forward to continuing to work with SVCEA and thank you once again for the opportunity to be of service.

Sincerely,
Stephen Hall

Principal

I have read and understand the contents of this Agreement and consent to the Firm representing SVCEA on the terms set forth in this Agreement.

SILICON VALLEY CLEAN ENERGY
AUTHORITY:

Dated: _____, 2024

By: _____
Name: Monica Padilla
Title: CEO



Staff Report – Item 1h

Item 1h: Executive Committee Report

To: Silicon Valley Clean Energy Board of Directors

Prepared by: Larry Klein, Executive Committee Chair

Date: 5/8/2024

The Executive Committee met April 26, 2024 with four members present and discussed a recommendation to the SVCE Board of Directors to approve necessary agreements for resource adequacy capacity for High Desert Power Project, LLC, feedback on staff’s proposal for the Hanford Hybrid Plant Emissions Mitigation guidelines, and received a presentation on SVCE’s Priority Zone DC Fast Charging 2.0 program.

Kris Van Vactor, Director of Power Resources, presented a request for the Executive Committee to support a recommendation to the Board of Directors to authorize the Chief Executive Officer to execute a Long Form Resource Adequacy (RA) agreement with High Desert Power Project, LLC for a six-year term with expected delivery from January 1, 2027 through December 31, 2032. This agreement is being brought to the Board of Directors because it exceeds the CEO’s authority under the Board-approved Energy Risk Management Policy, which authorizes transactions for RA up to five years in term. The Committee discussed the item, including the following:

- The percentage of natural gas in SVCE’s portfolio, which Staff noted is necessary for reliability purposes and has been decreasing with the inclusion of new renewable and clean power purchase agreements;
- This request is infrequent and a policy amendment on the CEO’s authority for RA transactions is not needed at this time; and
- The resource was offered to SVCE through a Request for Offers whereby all of the bids received were natural gas.

With the above points addressed, the Executive Committee supported staff’s recommendation unanimously and were in consensus that the item could be placed on the Consent Calendar for the May Board of Directors meeting.

Citlalli Sandoval, Senior Regulatory Advisor, presented Staff’s proposal for the Hanford Hybrid Plant Emissions Mitigation Guidelines for input and feedback; staff outlined the objective and key elements of these guidelines. The Committee supported bringing the item to the May Board of Directors meeting for the Board’s consideration.

Nupur Hiremath, Manager of Decarbonization Programs and Policy, and Hannah Gustafson, Senior Programs Specialist, presented an information item highlighting SVCE’s Priority Zone DCFC 2.0 program, which encourages new DCFCs near MUDs in charging deserts, supports EVI in low-income and priority communities, and assesses effectiveness in accelerating MUD resident adoption of EVs.

Materials from this meeting can be found on SVCE’s website: [SVCE Executive Committee Meeting, April 26, 2024](#)

Agenda Item: 1h

Agenda Date: 5/8/2024

The next meeting of the Executive Committee will be May 24, 2024 at 10:00 a.m.; materials will be posted no later than 72 hours in advance of the meeting.



Staff Report – Item 1i

Item 1i: 2024 Legislative Response to Industry Transition Ad Hoc Committee Report

To: Silicon Valley Clean Energy Board of Directors

Prepared by: Yvonne Martinez Beltran, Committee Chair

Date: 5/8/2024

The Legislative Response to Industry Transition 2024 Ad Hoc Committee held its first meeting April 4, 2024. I was selected as Chair, and Director Scozzola was selected as Vice Chair of the committee.

The committee received information from staff on the state and federal legislative landscape and discussed priority legislation aligned with SVCE’s 2024 Legislative Policy Platform and focus areas.

The next meeting of the Committee is expected to be held in June and will be scheduled based on member availability.



Staff Report – Item 1j

Item 1j: California Community Power Report

To: Silicon Valley Clean Energy Board of Directors

From: Monica Padilla, CEO

Date: 5/8/2024

Per direction from the SVCE Board on December 9, 2020 for the CEO to provide a report of the ongoing activities of California Community Power (CC Power) after each of its meetings, this is to report CC Power held a regular board meeting on Wednesday, April 24, 2024.

Attached is a summary report from General Manager Alex Morris; materials from the April board meeting can be found here on the CC Power website: [CC Power Meeting, 4/24/24](#)

The next meeting of the board will be May 15, 2024 at 1:00 p.m.; meeting materials can be found on the CC Power website: <https://cacomunitypower.org/meetings/>

ATTACHMENTS:

1. CA Community Power Board Meeting Summary from General Manager Alex Morris, April 24, 2024

California Community Power

901 H St, Ste 120 PMB 157, Sacramento, CA 95814 | cacommunitypower.org

TO: CC Power Board of Directors and Alternates **DATE:** 4/24/24
FROM: Alex Morris – General Manager
SUBJECT: **Report on CC Power Regular Board of Directors Meeting – April 24, 2024**

The CC Power Board of Directors held its regularly scheduled meeting on April 24, 2024, via Zoom. Details on the Board packet, presentation materials, and public comment letters can be found under the Meetings tab at the CC Power website: [Meetings and Agendas – ca community power](#)

Highlights of the meeting included the following:

- **Matters subsequent to posting the Agenda.** None.
- **Public Comment.** None.
- **Consent Agenda** - The Board approved the following items:
 - Minutes of the Regular Board Meeting held on March 20, 2024.
 - Receive Staff Report on CC Power Member Procurement Policies
- **Regular Agenda Items:**
 - **General Manager Report** – the Board heard updates on CC Power Financial performance year-to-date, on a Memorandum of Understanding for further offshore wind investigations, on the Build-Transfer exploration project (Phase 2a project solicitation and evaluation), and on draft 2024-2025 work and budget plans.
 - The Board unanimously adopted *Resolution 24-04-01, Approval of California Community Power Policies – Roles and Responsibilities Policy*. This policy further ensures CC Power and members manage and share information properly and in compliance with the Brown Act, and that CC Power and members manage and use information in good faith, including in receiving information regarding potential power procurement. CC Power commits to processes to ensure projects under consideration are made eligible to interested members in timely and reasonable ways.



Staff Report – Item 1k

Item 1k: Additional Committee Reports

To: Silicon Valley Clean Energy Board of Directors

Prepared by: Andrea Pizano, Sr. Executive Assistant and Board Clerk

Date: 5/8/2024

There are no reports for the Finance and Administration Committee and Audit Committee as they have not met since the last report.

The next meeting of the Finance and Administration Committee will take place Mon., May 13, 2024 at 3:00 p.m.; the Audit Committee will meet in September based on member availability.



Staff Report – Item 2

Item 2: CEO Report

To: Silicon Valley Clean Energy Board of Directors

Prepared by: Monica Padilla, CEO

Date: 5/8/2024

REPORT

Staff Updates

Sophia Zhang has been promoted from Power Supply Climate Corp Fellow to Associate Power Analyst after the completion of her fellowship. Sophia first started working at SVCE in September 2023, and has helped support power solicitations and documentation on various Power Resources tools. Sophia will continue to work on analyzing procurement needs and contribute to the Power Resources team.

Adam Selvin, Director of Energy Services and Community Relations, is leaving SVCE to join PG&E where he will focus on energizing the City of San Jose. While at SVCE, Adam effectively led his department and initiated several new pilots including a first of its kind Commercial/Industrial decarbonization program. Adam's last day is May 9, 2024. In the interim, Don Bray will take on some of Adam's responsibilities and Pam Leonard, Deputy Director of Marketing and Communications, will report directly to the CEO.

Personnel Officer Update

Recruitment is underway for two positions for the Power Resources & Operations department. SVCE currently has one job posting: Deputy Board Clerk/Administrative Assistant. Job descriptions and applications can be found on SVCE's website: [Current Job Openings](#)

CalCCA Annual Conference

Thank you to board members and staff who attended the CalCCA annual conference April 16-18, 2024 in San Jose. SVCE's presence was felt both in attendance and during the conference program, with Don Bray, Dir. of Strategic Development, facilitating the "Creating a Path to Net Zero: Large Customer Collaborations" workshop, and Maren Wenzel, Dir. of Regulatory, Policy and Planning, facilitated a discussion with Fong Wan, PG&E's former Senior Vice President of Energy Policy and Procurement. SVCE also took home a Community Impact Award in the decarbonization category for our Decarbonization Demonstration Grants program.

Presentations from the conference can be found here: [2024 CalCCA Conference presentations](#).

External Presentations & Relevant Meetings Attended by CEO

- Participated in CalCCA Monthly board meeting;
- 4/24/24, CC Power Board Meeting (meeting report included on Consent Calendar)

Clean Energy Update

Availability of clean energy resources continues to be scarce and expensive. On several occasions, staff has unsuccessfully solicited short-term clean resources to meet 2024/25 needs. For calendar 2024 and 2025, current clean energy supply, as a percent of retail sales, is 83% and 85%, respectively. For 2024, the Board approved providing less than 100% clean supply for GreenStart customers. Staff plans to come to the Board with an update on GreenStart for 2024 and recommendation for 2025.

Agenda Item: 2**Agenda Date: 5/8/2024**

Staff issued an RFO for long-term clean resources in late 2023. Negotiations are underway for new resources and staff will return to the Board for approval(s) as necessary. Attachment 1 provides an update of SVCE's clean energy efforts through long-term power purchase agreements.

Energy Services & Community Relations Updates

Staff was busy celebrating Earth Month. In total staff participated in more than 15 events throughout SVCE communities. Thank you for a wonderful set of events. The team has also been busy with launching the Go Electric Advisor service to customers, along with many other marketing campaigns to promote our offers and services through a variety of channels.

Please see Attachment 2 for a recap of our community engagement and marketing efforts this past month.

Regulatory & Legislative Update

On the regulatory front, staff is busy following CPUC related to Resource Adequacy, Integrated Resource Planning, Distribution Grid Planning, and Demand Flexibility. To assist with staff's advocacy efforts with distribution grid planning, staff sent a survey out to member agencies through the MAWG Log and through the City Manager update. We are looking for feedback to inform a proposal at the CPUC to require PG&E to develop Community Engagement Plans whereby PG&E is required to engage with your cities to inform their distribution planning and energization processes. Staff is looking for responses to the survey by May 16th.

Several legislative bills are being tracked, however it's too early to see what will make it through at this point. Several energy bills have been introduced to focus on affordability and reliability. Staff will share with the Board as these bills develop.

Attachment 3 provides highlights of key regulatory and legislative activities. Staff will provide a brief oral update.

Look Ahead Update

Staff is busy planning for Board and committee meetings through the end of the year. To provide the Board with a preview of what's ahead for the Board from June 2024 through October 2024, please refer to Attachment 4.

ATTACHMENTS

1. Clean Power Update, May 2024
2. Energy Services & Community Relations Update, May 2024
3. Regulatory and Legislative Update, May 2024
4. Agenda Look Ahead, June 2024 – October 2024

Exhibit 1 - CEO Agreements Executed

The following agreements have been executed by the CEO, consistent with the authority delegated by the Board:

- 1)** JD Power (Zappy Ride), Amendment: E-Mobility Market Services, not to exceed \$118,410, extends term to 9/30/24
- 2)** Reach Strategies, Agreement: Building Electrification Engagement Services, not to exceed \$100,000, 4/1/24 -4/1/27
- 3)** Kimley-Horn and Associates, Agreement: Building Electrification Engagement Services, not to exceed \$100,000, 4/15/24 – 4/14/27
- 4)** Opinion Dynamics, Task Order 1: Data Analytics Support – Dynamic Rates, not to exceed \$5,000
- 5)** Patricia LaFleur, Amendment: Mural project, not to exceed \$15,700
- 6)** ADM, Amendment: Electric Vehicle Infrastructure Plan Portfolio Evaluation, not to exceed \$102,885
- 7)** Franklin Energy Services, LLC, Agreement: Single Family Home Installation Program, not to exceed \$14,000,000, 4/12/24 – 4/11/27; approved by the Board of Directors at the March 13, 2024 Board of Directors Meeting
- 8)** Arup, Task Order: Greenhouse Gas Emissions and Decarbonized Equipment Forecast Tools, not to exceed \$142,000
- 9)** Ecology Action, Amendment: Memorandum of Understanding between Ecology Action and SVCE, not to exceed \$100,000
- 10)** EV.Energy Corp, Amendment: Software as a Service, not to exceed \$650,000, extends date to 5/13/25
- 11)** DataSpaceDigital, Agreement: Website Analytics Improvements, not to exceed \$1,980, 4/24/24 – 10/21/24
- 12)** FreeWire Technologies, Inc., Amendment: Priority Zone DC Fast Charging Incentive Program Agreement, sub vendor added
- 13)** EVmatch, Inc., Amendment: Memorandum of Understanding between EVmatch, Inc. and SVCE, extends date to 6/30/25
- 14)** Bellawatt, Inc., Agreement: SVCE eHub & Appliances Assistant, not to exceed \$667,500, 4/11/24 – 9/30/27. Approved by the Board of Directors at the April 10, 2024 Board of Directors meeting



Exhibit 2 - CEO Power Supply Agreements Executed

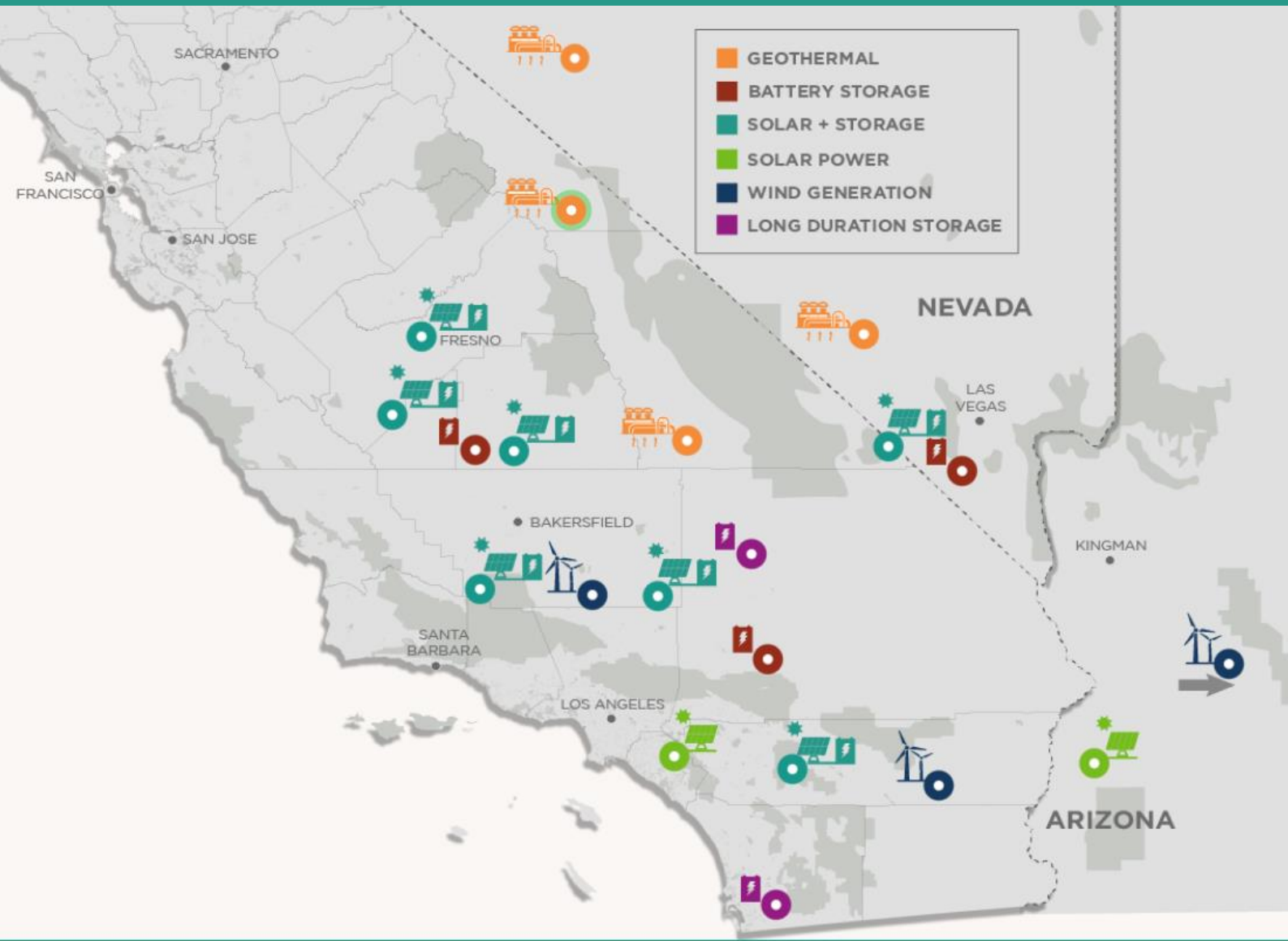
Counterparty Name	Execution/Effective Date	Transaction Type	Product	Start Date	End Date	Notional Value
Shell	4/1/2024	Purchase	Resource Adequacy	6/1/2024	6/30/2024	\$60,000
Dynasty Power	4/3/2024	Sale	Import Allocation Rights	7/1/2024	9/30/2024	\$176,580
NRG	3/22/2024	Purchase	Resource Adequacy	6/1/2024	6/30/2024	\$20,000
NRG	3/25/2024	Sale	Resource Adequacy	11/1/2024	11/30/2024	\$20,000
Southern California Edison	4/17/2024	Sale	Import Allocation Rights	7/1/2024	9/30/2024	\$180,000

These agreements are included in the Board packet as Appendix A.

CEO Report Clean Power Update

SVCE Board Meeting
May 8, 2024

Clean Long-term Power Agreements



- \$3.7B+ in commitments
 - 21 PPAs signed
 - 18 new build projects
 - 896 MW of Renewable Power
 - 1,845 MWh of Battery Storage
- 8 Projects now delivering to SVCE meeting ~44% of energy needs:
- COSO geothermal - January 2022
 - Slate Solar + Storage – January 2022
 - Casa Diablo geothermal – September 2022
 - Mountain View wind – July 2022
 - Rabbitbrush Solar + Storage – October 2022
 - Terra-Gen Wind – January 2023
 - Yellow Pine Solar + Storage – July 2023
 - Victory Pass Solar + Storage – March 2024

No changes since April 2024



SVCE Long-Term Clean Energy Contracts

	Seller	Project Name	Technology	Generation MW	Storage MW	Storage MWh	Approximate % of Annual load in 2030	Term (years)	Lifetime Not to Exceed Authority (MM\$)	SVCE Board Approval	Status
1	MN8	Slate	Solar + Storage	93	46.5	186	6.2%	17	\$198	Oct-18	Online
2	Ormat	Casa Diablo	Geothermal	7			1.4%	10	\$43	Feb-20	Online
3	Atlantica	Coso	Geothermal	43.8			6.1%	15	\$331	Mar-20	Online
4	Leeward	Rabbitbrush	Solar + Storage	40	8	20	2.9%	15	\$64	Apr-20	Online
5	NextEra	Yellow Pine	Solar + Storage	50	26	104	3.8%	20	\$128	May-20	Online
6	Avantus	Aratina	Solar + Storage	80	50	200	6.3%	20	\$368	Jun-20	Pre-construction
7	174 Power Global	Atlas	Solar	50			3.6%	10	\$32	Jan-21	Pre-construction
8	SB Energy	Angela	Solar + Storage	20	10	40	1.4%	15	\$35	Mar-21	Pre-construction
9	AES	Mountain View	Wind	33.3			3.1%	20	\$128	Apr-21	Online
10	Origis	San Luis West	Solar + Storage	62.5	15.625	62.5	3.9%	15	\$132	Apr-21	Pre-construction
11	Clearway	Victory Pass	Solar + Storage	100	25	100	7.6%	15	\$173	May-21	Online
12	Terra-Gen	Cameron Crest	Wind	77.7			4.6%	15	\$150	May-21	Online
13	Rev Renewables	Tumbleweed	Long Duration Storage		15.9375	127.5		15	\$100	Feb-22	Construction
14	Onward	Goal Line	Long Duration Storage		14.2	113.6		15	\$100	Mar-22	Pre-construction
15	Ormat	Geothermal Portfolio	Geothermal	16.75			4.2%	20	\$256	Jun-22	Pre-construction
16	OME	Fish Lake	Geothermal	1.82			0.4%	20	\$30	Jun-22	Pre-construction
17	AES	Baldy Mesa (RA-only)	Storage	0	75	300		10	\$81	Sep-22	Construction
18	MRP	Hanford	Thermal + BESS	99.4	131.4	131.4		12	\$280	Apr-23	Construction
19	NextEra	Grace	Solar	120	0		8.3%	15	\$286	Aug-23	Pre-construction
20	NextEra	Yellow Pine III	Storage	0	115	460		15	\$420	Aug-23	Pre-construction
21	Pattern	SunZia	Wind	100	0	0	7.6%	15	\$361	Clean Power Update, May 2024 Nov-23	Construction



Clean Energy Resources Online Progress as of 4/29/2024

2024 – H1

- Victory Pass Solar + Storage: **Online and Operating in CAISO Market**
- Baldy Mesa (RA-Only Storage): *Construction mode*

2024 – H2

- Hanford BESS on Peaker: *Construction mode*

2025 – H1

- Goal Line Long Duration Storage: *Pre-construction*
- Aratina Solar + Storage: *Pre-construction – delayed*
- San Luis West Solar + Storage: *Pre-construction - delayed*

2025 – H2

- Atlas Solar: *Pre-construction – delayed*
- Yellow Pine III Storage: *Pre-construction*

2026+

- Angela Solar + Storage: *Pre-construction – delayed*
- Tumbleweed Long Duration Storage: *Construction mode*
- Fish Lake Geothermal: *Pre-construction*
- Ormat Geothermal Portfolio: *Pre-construction*
- SunZia Wind: *Construction mode*
- Grace Solar: *Pre-construction*

THANK YOU!



1. Outreach Events & Sponsorships

Date	Sponsorship	Location
5/2/2024	Housing Trust of Silicon Valley Investor Briefing 4 p.m. – 6 p.m. <i>Sponsorship</i>	Hyatt Centric Mountain View 409 San Antonio Rd Mountain View, CA 94040
5/18/2024	Morgan Hill Senior Resource Fair 11 a.m. – 2 p.m. <i>Tabling</i>	Morgan Hill Community Center 17000 Monterey Rd Morgan Hill, CA 95037
5/25/2024	Mushroom Mardi Gras 10 a.m. – 7 p.m. <i>Sponsorship & tabling</i>	Downtown Morgan Hill Amphitheater Grounds & Depot Street Morgan Hill, CA 95037
5/26/2024	Mushroom Mardi Gras 10 a.m. – 6 p.m. <i>Sponsorship & tabling</i>	Downtown Morgan Hill Amphitheater Grounds & Depot Street Morgan Hill, CA 95037
6/13/2024	SJ Giants Climate Night with SVCE Time TBA <i>Sponsorship, staff outing, tabling</i>	Excite Ballpark 588 E Alma Ave San Jose, CA 95112



Earth Month Recap

SVCE staff attended 15 in-person community events in April

- Attended local events held by member agencies, non-profits, and schools
- Thousands of people attended Earth Day weekend events, and our staff participated at 5 different events throughout our service territory on Saturday 4/20
- Key feedback: Customers are excited to use SVCE's newly-launched Go Electric advisor




2. Customer Participation

	Participation Rate	Overall Participation Rate
Residential	96.14%	96.18%
Commercial	96.59%	


3. Digital Ads: Future Fit Homes Rebate Program

SVCE continues to prioritize the promotion of the FutureFit Homes Rebate Program with digital ads and a multilingual campaign coming soon: svcleanenergy.org/home-rebates/


Example Google Display Ads









Go Electric with SVCE Rebates



Get up to \$8,750 towards heat pump heating/cooling, water heaters, and induction stoves.



Top image-based combinations

 <p>Go Electric with SVCE Rebates Create a healthier home environment with rebates of \$8,750 for all-electric appliances.</p>	 <p>Go Electric with SVCE Rebates Get up to \$8,750 towards heat pump heating/cooling, water heaters, and induction stoves.</p>
 <p>Upgrade Your Home Today</p>	 <p>Upgrade Your Home Today Create a healthier home environment with rebates of \$8,750 for all-electric appliances.</p>
 <p>Upgrade Your Home Today</p>	 <p>Go Electric with SVCE Rebates Get up to \$8,750 towards heat pump heating/cooling, water heaters, and induction stoves.</p>

4. Digital Ads: GridShift

Running ads on Facebook and Instagram to promote the GridShift app

A screenshot of a Facebook sponsored post from Silicon Valley Clean Energy. The post features a green leaf logo and a blue checkmark. The text reads: "Attention EV drivers! Are you making the most of your charging experience? Get the free GridShift app for a cheaper, cleaner charge." Below the text is a promotional image with the headline "Save \$100+ per year with GridShift EV Charging" and a photo of a woman at a charging station. A call to action says "Join the hundreds of Silicon Valley EV drivers earning rewards for charging". At the bottom, there are two buttons: "Earn rewards for charging" and "Learn more". To the right, a sidebar shows "\$50 sig bonus" and "Plus \$1". The post has 2 likes and options to Like, Comment, and Share.

A vertical promotional graphic for GridShift EV Charging. At the top, it says "April 5 10:18 AM" with a green leaf icon. The main headline is "Save \$100+ per year with GridShift EV Charging". Below this is a photo of a woman at a charging station. At the bottom, the text reads "Join the hundreds of Silicon Valley EV drivers earning rewards for charging".

A vertical graphic featuring user testimonials for GridShift. At the top, it says "April 5 10:18 AM" with a green leaf icon. The headline is "What GridShift users are saying". There are three testimonials, each with a small circular profile picture: 1. "I can set it and forget it and the next thing I know I've got bonus points that I can use towards my bill." -William 2. "It has zero costs and lots of benefits, and it's helping society. Absolutely you should do it!" -Remesh 3. "Participating in low carbon events and critical GridShift hours make me feel like I'm making a difference!" -Dora At the bottom, it says "Join free and start saving today!" and includes a "LEARN MORE" button with a link icon.

5. Go Electric Advisor Launch

We're excited to announce the launch of our Go Electric Advisor, a FREE live service with energy experts ready to help you explore EVs, electric home appliances, solar & battery storage systems, and more: goelectric.svcleanenergy.org

Launch included:

- ✓ Press release
- ✓ Social media
- ✓ Digital toolkit

Tactics to follow:

- ✓ Nextdoor
- ✓ Social media
- ✓ Digital ads
- ✓ SVCE emails

Go Electric Advisor

Helping Silicon Valley Clean Energy Customers Take The Guesswork Out of Going Electric.

svce.info/gea 833.243.4235

Energy Advisors are available Monday-Friday, 9am-5pm PST (excluding holidays)

SILICON VALLEY CLEAN ENERGY

Your trusted partner to go electric.

Go Electric Advisor is a free live service to help SVCE customers take the guesswork out of going electric. Our team of friendly, trained professionals can help at every step along the way, from simple questions to detailed plans.

Call 833.243.4235

Email Us

Energy Advisors are available Monday-Friday, 9am-5pm PST (excluding holidays)

Chat with an Advisor

svce.info/gea

svcleanenergy.org/news/live-energy-advisor-helps-residents-take-action-to-achieve-a-safe-healthy-and-efficient-electric-lifestyle/

SILICON VALLEY CLEAN ENERGY

ABOUT US GO ELECTRIC - REBATES & OFFERS RATES & BILLING

Live Energy Advisor Helps Residents Take Action to Achieve a Safe, Healthy, and Efficient Electric Lifestyle

22 APR 2024 | WRITE COMMENT

Silicon Valley Clean Energy launches "Go Electric Advisor"

Sunnyvale, CA — Silicon Valley Clean Energy (SVCE) announces the launch of the Go Electric Advisor, a free and personalized live support service to help SVCE customers transition to clean, electric equipment and appliances for their homes and transportation. The Go Electric Advisor concierge service is composed of an entire team of energy experts that are at customers' disposal.

Go Electric Advisor

Live Energy Experts Available

SV Clean Energy's Go Electric Advisor Service

Preview: Your trusted partner to go electric.

Did you know that there are various rebates and incentives that can greatly reduce the costs to go electric? From electric vehicles to home appliances and solar & battery storage, you can save thousands of dollars through federal, state, local, and Silicon Valley Clean Energy (SVCE) programs.

Go Electric Advisor is a free live service to help SVCE customers take the guesswork out of going electric and simplify the electric transition - at every step along the way.

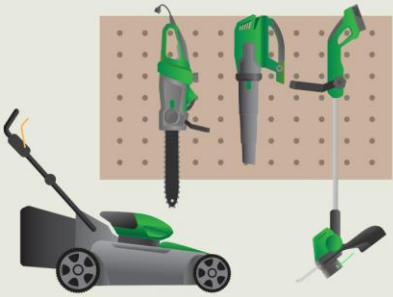
SVCE has a team of Energy Advisors that can help you navigate all the ways to save money on your electric upgrades to maximize your savings, and even help you apply for rebates and incentives!

6. Electric Yard Care Equipment Promotion

Purpose of Promotion: Encourage customers to learn about electrification and upgrade their yard care equipment to electric.

Promotion Details: Customers can get \$50 off electric lawn mowers, leaf blowers, trimmers, and chainsaws through the Appliances Assistant.

Launched April 8, closes July 31

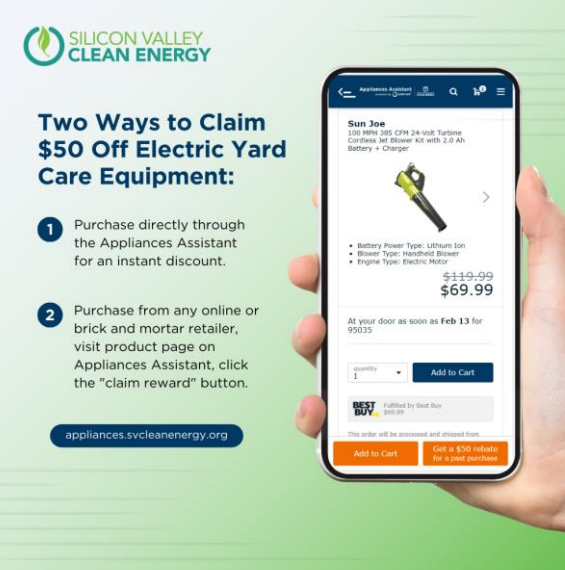


SILICON VALLEY CLEAN ENERGY

Let's transition from gas to electric

If your old gas-powered yard care equipment is causing you trouble, transition to electric for minimal maintenance, easy start-up, and reduced noise and emissions.

Visit appliances.svcleanenergy.org

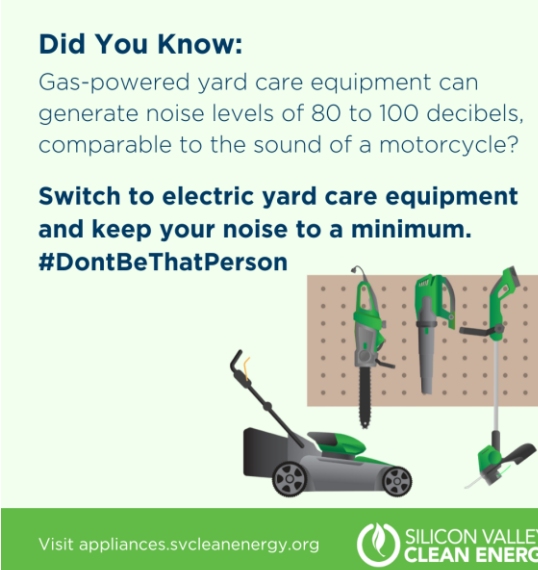


SILICON VALLEY CLEAN ENERGY

Two Ways to Claim \$50 Off Electric Yard Care Equipment:

- 1 Purchase directly through the Appliances Assistant for an instant discount.
- 2 Purchase from any online or brick and mortar retailer, visit product page on Appliances Assistant, click the "claim reward" button.

appliances.svcleanenergy.org



Did You Know:
Gas-powered yard care equipment can generate noise levels of 80 to 100 decibels, comparable to the sound of a motorcycle?

Switch to electric yard care equipment and keep your noise to a minimum. #DontBeThatPerson

Visit appliances.svcleanenergy.org

SILICON VALLEY CLEAN ENERGY

7. Introducing the Digital Media Asset Webpage

Improving our promotion resources for you and your community staff

Want to share about SVCE offers and services in your community newsletters or social media? Visit the [Digital Media Assets webpage](#) to see all the current offers and services SVCE is promoting!

Join the email list to receive notifications when new content is added. [Join List](#)

The screenshot shows the Silicon Valley Clean Energy website's 'Digital Media Assets' page. At the top, the SVCE logo is on the left, and navigation links for 'ABOUT US', 'GO ELECTRIC - REBATES & OFFERS', and 'RATES & BILLING' are on the right. The main heading is 'Digital Media Assets'. Below it, a paragraph explains that collaboration is a powerful way to increase awareness and access to offers and services. A 'Join Email List' button is prominently displayed. Below the button, a note says 'If you have questions or specific asset requests, please contact emily.muniz@svcleanenergy.org.' A horizontal menu contains four tabs: 'Video Competition', 'Rebates', 'Contractor Training', and '2023 Community Impact'. The 'Video Competition' tab is active, showing the 'EmPower Silicon Valley Video Competition' section. Underneath, there is a 'Newsletter' section with the heading 'Newsletter Content'. The content includes a promotional image for the 'EMPOWER SILICON VALLEY STUDENT SHORT VIDEO COMPETITION' and a text block titled 'Silicon Valley Clean Energy Calls for Entries in Spring EmPowerSV Student Video Scholarship'. The text describes the 2024 scholarship competition, offering prizes up to \$3,000 to students from SVCE's 13 member communities. It mentions that registration is open until May 3rd and that participants can choose from three prompts to showcase their talents. A link 'Learn more at svcleanenergy.org/empower-sv/' is provided at the bottom of the text block.

8. CalCCA Impact Award

SVCE was recognized by CalCCA at their annual conference in the decarbonization awards category for our Decarbonization Demonstration grants program.



Board members and staff in attendance accept the award from California Energy Commission Chair David Hochschild

9. Save the Date: EmpowerSV Film Fest!

You are invited to join us on June 12, from 4:30 – 6:30 p.m. for a film festival and special awards ceremony to recognize the winners of the EmpowerSV Student Short-Film Scholarship Competition.

The event will be an opportunity to hand out scholarship prizes to the winning teams and engage with local students.

Where: Cupertino Community Hall

When: June 12, 4:30 – 6:30 p.m. ahead of the board meeting

Light refreshments will be served



10. Member Agency Working Group – April Update

The most recent MAWG meeting was held on April 25, 2024 and was attended by 9 different agencies and organizations with a total of 27 participants.

The following agenda items were presented and discussed:

- FutureFit Fundamentals Contractor Training Program Update
- SVCE's Workforce Efforts
- SVCE's Support for BAAQMD Activities
- Reach Code Redos
- Standing Item: Policy & Permitting Updates

11. Press Releases & Media

Press Releases

- [Student-Led Projects Address Climate Issues Facing Local Communities](#), *Press Release, 04-03-24*
- [Live Energy Advisor Helps Residents Take Action to Achieve a Safe, Healthy, and Efficient Electric Lifestyle](#), *Press Release, 04-22-24*
- [Michael Callahan Joins Silicon Valley Clean Energy as General Counsel](#), *Press Release, 04-25-24*

Media Mentions

- [Stem forges ahead with its move into SaaS](#), *Latitude Media, 03-29-24*
- [Mountain View proposes to reverse ban on gas appliances for new construction](#), *Mountain View Voice, 04-08-24*
- [Community briefs: No Menlo Park Caltrain service this weekend, \\$43K in Rotary Club grants and more](#), *The Almanac, 04-11-24*

11. Press & Media (continued)

- [Data Insights are Illuminating the Future of the Power Sector, *insideBIGDATA*, 04-11-24](#)
- Silicon Valley Clean Energy on Comunidad Del Valle, *NBC Bay Area*, 04-14-2024
 - [English interview](#), [Spanish interview](#)
- [Clearway Brings Online Large Solar + Storage Energy Complex in Riverside County, California, *Utility Dive*, 04-17-24](#)
- [Letter: Take advantage of rebates for clean appliances, *Gilroy Dispatch*, 04-26-24](#)



SVCE Legislative and Regulatory Update

May 8, 2024



Policy Updates

Regulatory Update:

1. Demand Flexibility: Income Graduated Fixed Charge
2. Integrated Resource Planning

Legislative Update:

1. Early State Budget Actions
2. SVCE and CalCCA Bill Positions
3. 2024 Legislative Calendar



Regulatory Update



Key Regulatory Activities

Activity	Purpose	Status
Demand Flexibility Proceeding (R. 22-07-005) Income Graduated Fixed Charge Track	To advance demand flexibility through electric rates.	<p>The CPUC issued a Proposed Decision that would authorize investor owned utilities in California (e.g., PG&E) to implement income graduated fixed charges on residential bills. The Proposed Decision proposes to adopt a three-tiered income graduated fixed charge structure. Tier 1 customers must be enrolled in California Alternative Rates for Energy and would pay a \$6 monthly charge. Tier 2 customers must be enrolled in Family Electric Rate Assistance or be living in affordable housing restricted to residents with incomes at or below 80 percent of Area Median Income and will pay a \$12.08 monthly charge. Tier 3 customers will be all other customers not eligible for Tiers 1 and 2 and will pay a \$24.15 monthly charge. PG&E would implement the fixed charges during the first quarter of 2026. Stakeholders have filed comments in response to the Proposed Decision arguing that the CPUC should expand the definition of low-income and eligibility for the Tier 1 and 2 fixed charge beyond just CARE/FERA or living in affordable housing. Other stakeholders argued for higher fixed charges, in order to reduce volumetric rates on electrification tariffs. No revision to the Proposed Decision has yet been issued. The Proposed Decision is expected to be voted out by the CPUC on May 9th at the earliest.</p>
Integrated Resource Planning (R.20-05-003)	Electric Integrated Resource Planning and Related Procurement Processes.	<p>On April 18, 2024 a scoping memo was issued which clarifies and updates the timeline and workstreams for the next IRP cycle. The scoping memo includes three major updates:</p> <ol style="list-style-type: none"><li data-bbox="1021 1096 2519 1172">1) Implementation of AB 1373 (allowing Department of Water Resources to act as a central procurement entity) will be discussed and decided upon in the spring and summer of 2024.<li data-bbox="1021 1172 2519 1296">2) Implementation of a new procurement framework ("Reliable Clean Power Procurement Program") will be considered throughout the remainder of 2024, with a decision targeted for early in Q1 of 2025.<li data-bbox="1021 1296 2519 1372">3) Individual LSE IRP filings will be delayed 12 months – to November of 2025 – to allow the above processes to be completed prior to LSE plan development.



Legislative Update



Early State Budget Actions

Gov/Legislature adopted package of early budget actions to reduce deficit that largely follows the January Budget proposal. More cuts may come in June.

Program	Funding Amount
Drayage Trucks and Infrastructure Grants and ZEV manufacturing grants	\$30M cut
Regional Climate Collaboratives and Climate Adaptation/Resilience Planning Grants	\$14.6M cut
Electricity Supply Reliability Reserve Program	\$55M delay
Distributed Energy Backup Assets Program	\$55M delay
Clean Energy Reliability Investment Plan	\$100M delay



SVCE and CalCCA Bill Positions

Bill	Summary	CalCCA or SVCE Position
SB 1130 (Bradford)	Allows households with less than 3 people to enroll in the FERA low-income bill assistance program.	CalCCA Support
SB 1095 (Becker)	Prohibits mobile home parks and homeowner associations from instituting barriers to electric appliances.	SVCE Support
AB 817 (Pacheco)	Would allow Board Committees that are purely advisory to use pandemic-era teleconferencing rules.	CalCCA Support
AB 2779 (Petrie-Norris)	Requires CAISO to report on any use of grid enhancing technologies to the CPUC and legislature.	CalCCA Support
SB 1165 (Padilla)	Allows transmission projects to go through the permitting process at the CEC instead of the CPUC.	CalCCA Support



Key 2024 State Legislative Milestones

- ~~• January 3 — Legislature Reconvenes~~
- ~~• January 12 — Last day for policy committees to hear fiscal bills from their house last year~~
- ~~• January 19 — Last day to submit bill requests to Legislative Counsel; last day for committees to hear and report to the floor bills introduced last year~~
- ~~• January 31 — Last day for each house to pass bills introduced last year~~
- ~~• February 16 — Last day for bills to be introduced~~
- ~~• April 26 — Last day for policy committees to vote on fiscal bills~~
- May 17 – Last day for fiscal committees to hear bills introduced in that house
- May 24– Last day for each house to pass bills introduced in that house
- June 15 – Budget bill must pass by midnight
- July 3 – Last day for policy committees to vote on bills
- August 16 – Last day for fiscal committees to vote on bills
- August 31– Last day for each house to pass bills
- September 30 – Last day for Governor to sign bills



Agenda Look Ahead: June – October 2024

June

August

September

October

12th: BOD Meeting

- FY 24-25 Budget Framework - Info
- Stress Test Analyses - Info
- Intro to FY 24-25 Strategic Plan – Strategic Focus Areas – Info
- 2025 Clean Power Supply Recommendation Offerings - Action
- **Study Session: Clean Pathways and 24x7 study**

4:30pm to 6:30pm:
Pre-Board meeting –
Student Scholarship
Short-Film Festival

14th: BOD Meeting

- Workforce Policy & Strategy - Action
- FY 24-25 Budget - Discussion
- FY 24-25 Strategic Plan & Focus Areas - Discussion

11th: BOD Meeting

- FY 24-25 Budget - Adopt
- FY 24-25 Strategic Focus Areas – Adopt
- FY25 Programs Budget - Action
- Agency Policies Streamlining Project Update & Recommendation Part 1 – Action (tentative)
- **Study Session: Affordability**

9th: BOD Meeting

- FY 24-25 Strategic Plan and Workplan - Adopt
- Agency Policies Streamlining Project Update & Recommendation Part 2 - Action (tentative)
- Clean Pathways Update & Recommendation - Action
- **Study Session: Regionalization**

*Please note the items on this schedule may change depending on priorities



Staff Report – Item 3

Item 3: Adopt Resolution Approving the Hanford Hybrid Plant Emissions Mitigation Guidelines

From: Monica V. Padilla, CEO

Prepared by: Citlalli Sandoval, Senior Regulatory Advisor

Date: 5/8/2024

RECOMMENDATION

Staff recommends that the Silicon Valley Clean Energy (“SVCE”) Board of Directors (“Board”) adopt Resolution 2024-09 approving the Hanford Hybrid Plant Emissions Mitigation Guidelines (“Guidelines”), which provides for the following:

- Specifies the types of programs and projects that will be funded to help to mitigate the emissions associated with energy produced by the Hanford Hybrid Natural Gas Power Plant and Battery Energy Storage System during the 12-year term of the power purchase agreement;
- Establishes a fund of no less than \$750,000 and no more than \$1.8 million;
- Authorizes the Chief Executive Officer to disburse the funds; and
- Requires staff to report back to the SVCE Board of Directors on the effectiveness of the fund one year after the first disbursement and on an annual basis thereafter, if necessary.

EXECUTIVE COMMITTEE RECOMMENDATION

Staff presented the Guidelines at the April 26, 2024 Executive Committee meeting. The Executive Committee expressed unanimous support for the guidelines and provided input and recommendations including the requirement for feedback from the Kings County community to be gathered and for updates on the disbursements to be added to the Guidelines prior to the request for approval of the Guidelines at the May 8, 2024 board meeting.

BACKGROUND

During the April 12, 2023 board meeting, the board approved Resolution Number 2023-06, which delegated authority to SVCE’s Chief Executive Officer to execute a Power Purchase Agreement (“PPA”) for the Hanford Hybrid Power Plant. The Hanford plant is a hybrid natural gas peaker power plant (“peaker”) and battery energy storage system that SVCE contracted with for twelve years to ensure that SVCE can meet its Resource Adequacy program obligations as mandated by California and to assist with meeting SVCE’s procurement obligations under the California Public Utilities Commission’s Mid-term Reliability procurement order. California’s Resource Adequacy program ensures load serving entities in California have contracted with enough capacity for the grid to be able to meet peak demand conditions. However, this capacity has been in short supply in recent years, which has resulted in California facing reliability challenges, especially during heatwaves. The Hanford Hybrid Power Plant will help to alleviate some of the supply shortage.

Dispatch of the peaker portion of the Hanford Hybrid Power Plant is expected to result in carbon emissions. For this reason, the board directed staff to develop a policy and/or guidelines to set aside funds to be used for programs and/or projects to mitigate emissions associated with energy produced by the plant.

ANALYSIS & DISCUSSION

The Hanford Hybrid Power Plant is located in Kings County and will allow SVCE to make more capacity available to the grid to meet demand. SVCE expects to only dispatch the natural gas peaking facility portion of the hybrid plant when the California Independent System Operator market signals it is needed. The projected dispatch is expected to result in 5,000 MT of CO₂ being emitted per year at the start of the plant's contract period. SVCE staff has examined the utilization rates of the peaker portion of the hybrid plant and found that run hours will decline over the contract period. Staff expect that this could result in the yearly emissions emitted decreasing over time, especially as the battery energy storage system displaces the gas plant.

The board has previously approved funding allocations for community programs as a direct response to SVCE's portfolio management activities.¹ These programs serve to counterbalance any concerns about the impacts of the portfolio, as temporary as they may be, and have been recommended in the past because SVCE is both proactive and responsive about ensuring its portfolio management activities leave a net positive impact on communities. SVCE has run several electrification programs and has used this experience funding and operating new programs to develop the Guidelines that are being recommended for approval.

The Guidelines specify that staff shall seek approval for a one-time funding allocation to be used for programs during the twelve years of the Hanford plant's operations under its contract with SVCE. This funding allocation will be used to establish the Hanford Hybrid Plant Emissions Mitigation Fund, from which SVCE will support emissions mitigation programs and activities. Additionally, the Guidelines recommend staff seek approval for a funding allocation range of \$750,000 to \$1.8 million and authorize the CEO to disburse up to \$1.8 million.

The funding allocation range recommendation is based on staff's review of previous funding approvals related to SVCE's portfolio management activities and assessment of an appropriate amount of funding most likely to make a meaningful impact in the community. The recommended funding cap (i.e., the maximum of the recommended range) represents 1.5% of SVCE's total programs budget allocation.

The Guidelines specify that the funds are to be deployed to benefit low-income or disadvantaged communities in the geographical region where the Hanford Hybrid Power Plant is located, Kings County. This will ensure that emissions due to the operation of the hybrid power plant are being mitigated through the offering of emissions reduction programs where the project is located (i.e., near the emissions source).

After the adoption of the Guidelines, staff will be required to seek the collection of stakeholder input to determine the community's preferences for emissions mitigation programs. Disbursements from the Hanford Hybrid Plant Emissions Mitigation Fund will be used to pay for existing electrification programs or activities that help to reduce the emissions resulting from the use of electricity or transportation in the community.

The Guidelines require staff to report progress and the effectiveness of the fund disbursements one year after the first disbursement and annually thereafter until the fund is exhausted. Staff will report on whether funding was able to be disbursed, the programs the funding was used for, and whether disbursements from the fund are still pertinent to accomplishing the goal of the fund: mitigating the emissions from the plant. This information will be reported to the Board of Directors in the Board Information Packet.

STRATEGIC PLAN

The proposed programs align with the board-adopted strategic plan for the following goals:

- Goal #11: Support communication and engagement with public, private and nonprofit stakeholders to leverage our decarbonization efforts

¹ See for example, the November 10, 2021 approval of program funding recommendations from 2020 PG&E carbon-free allocation savings and the June 8, 2022 approval authorizing a funding allocation for community electrification engagement and demonstration programs.

Agenda Item: 3

Agenda Date: 5/8/2024

ALTERNATIVE

If the Guidelines for Hanford emissions mitigation are not adopted, staff can return to the Board with alternative policy proposals or guidelines for an emissions mitigation fund. Alternatively, the Board may elect not to develop a fund and/or guidelines.

FISCAL IMPACT

Should the Board elect to adopt the resolution and corresponding Guidelines, staff will include an estimate of the funding to be deployed as part of the Fiscal Year 2024-2025 operating budget.

ATTACHMENT

1. Resolution No. 2024-09 approving the Hanford Hybrid Plant Emissions Mitigation Guidelines

SILICON VALLEY CLEAN ENERGY AUTHORITY

RESOLUTION NO. 2024-09

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SILICON VALLEY CLEAN ENERGY AUTHORITY APPROVING THE HANFORD HYBRID PLANT EMISSIONS MITIGATION GUIDELINES ESTABLISHING A FUND OF NO LESS THAN \$750,000 AND NO MORE THAN \$1.8 MILLION TO FUND PROGRAMS FOR LOW-INCOME AND DISADVANTAGED COMMUNITIES TO HELP REDUCE EMISSIONS FROM GREENHOUSE GASES THROUGH ELECTRIFICATION ACTIVITIES IN KINGS COUNTY AND AUTHORIZING THE CHIEF EXECUTIVE OFFICER TO DISBURSE THE FUNDS

THE BOARD OF DIRECTORS OF THE SILICON VALLEY CLEAN ENERGY AUTHORITY HEREBY RESOLVES AS FOLLOWS:

WHEREAS, the Silicon Valley Clean Energy Authority (“SVCE”) was formed on March 31, 2016, pursuant to a Joint Powers Agreement to promote, develop, conduct, operate, and manage energy programs in Santa Clara County;

WHEREAS, the Board adopted Resolution No. 2023-06 directing staff to develop a policy and/or guidelines to set aside funds to be used for programs and/or projects to help mitigate impacts of emissions associated with the Hanford Hybrid Natural Gas Power Plant and Battery Energy Storage System;

WHEREAS, Staff brought a proposal for establishing the Hanford Hybrid Plant Emissions Mitigation Guidelines to the Executive Committee in April 2024 to receive feedback;

WHEREAS, Staff has incorporated direction from the Executive Committee into the Hanford Hybrid Plant Emissions Mitigation Guidelines and has prepared an adjusted set of guidelines, set forth in Exhibit A;

WHEREAS, the Hanford Hybrid Plant Emissions Mitigation Guidelines establish the Hanford Hybrid Plant Emissions Mitigation Fund of no less than \$750,000 and no more than \$1.8 million;

WHEREAS, the SVCE Board of Directors wishes to delegate authority to the Chief Executive Officer (“CEO”) to disburse up to \$1.8 million from the Hanford Hybrid Plant Emissions Mitigation Fund;

NOW, THEREFORE, the Board of Directors of the Silicon Valley Clean Energy Authority does hereby approve and adopt the Hanford Hybrid Plant Emissions Mitigation Guidelines, as set forth in Exhibit A.

PASSED AND ADOPTED this 8th day of May 2024, by the following vote:

JURISDICTION	NAME	AYE	NO	ABSTAIN	ABSENT
City of Campbell	Director Scozzola				
City of Cupertino	Director Mohan				
City of Gilroy	Director Hilton				
City of Los Altos	Director Meadows				
Town of Los Altos Hills	Director Tyson				
Town of Los Gatos	Alternate Director Ristow				
City of Milpitas	Director Chua				
City of Monte Sereno	Director Mekechuk				
City of Morgan Hill	Director Martinez Beltran				
City of Mountain View	Director Showalter				
County of Santa Clara	Director Lee				
City of Saratoga	Director Walia				
City of Sunnyvale	Director Klein				

Chair

ATTEST:

Andrea Pizano, Board Clerk

Exhibit A - Hanford Hybrid Plant Emissions Mitigation Guidelines

- I. SVCE staff shall seek approval for a one-time funding allocation to establish the Hanford Hybrid Plant Emissions Mitigation Fund (“Hanford Fund”).
- II. The Hanford Fund’s goal is to fund programs for low-income and disadvantaged communities to help reduce emissions from greenhouse gases through electrification activities in Kings County.
- III. SVCE staff shall seek approval for a one-time funding allocation of \$750,000 to \$1.8 million after the approval of the Hanford Hybrid Plant Emissions Mitigation Guidelines.
- IV. A stakeholder engagement process to receive feedback directly from Kings County community members about the types of emission reduction programs that would be most beneficial to Kings County residents shall be conducted.
- V. SVCE staff shall use the feedback collected as part of the stakeholder engagement process to determine the best course of action for spending Hanford Hybrid Plant Emissions Mitigation funds.
- VI. Hanford Hybrid Plant Emissions Mitigation funds shall be used to pay for programs to help reduce emissions from greenhouse gases through electrification activities in disadvantaged and/or low-income communities in Kings County.
- VII. One year after the first disbursement from the Hanford Fund, staff must report on progress to the Board of Directors in the Board Information Packet and annually thereafter until the Hanford Fund has been completely disbursed.
- VIII. All funds in the Hanford Fund must be disbursed by June 1, 2036.



Staff Report – Item 4

Item 4: Authorize the Chief Executive Officer to Execute an Agreement with CLEAResult for the SVCE Commercial and Industrial Decarbonization Program with a Not to Exceed Limit of \$2,489,087 through December 31, 2027

From: Monica Padilla, CEO

Prepared by: Justin Zagunis, Director of Decarbonization Programs and Policy
Joey Lande, Energy Services Principal

Date: 5/8/2024

RECOMMENDATION

Staff recommends the Board authorize the CEO to execute the proposed agreement with CLEAResult for the SVCE Commercial and Industrial (C&I) Decarbonization Program, from the date of contract execution through December 31st, 2027 and for an amount not to exceed \$2,489,087.

BACKGROUND

Since 2018, SVCE's decarbonization program offerings have been growing in number and expanding their reach. The C&I Decarbonization Program represents an important addition to SVCE's decarbonization program portfolio, serving an entirely new customer segment.

In November 2020, the Board approved the Building Decarbonization Joint Action Plan, which identified FutureFit Homes and Buildings as one of SVCE's cornerstone programs to support the decarbonization of existing buildings. SVCE has launched programs targeting residential and small business customers under this umbrella, and is now looking to expand offerings to larger, C&I customers.

SVCE allocated a portion of the FutureFit Homes and Building funds to operate a small-scale C&I decarbonization pilot in 2023. Due to strong customer interest in this program model, SVCE issued a solicitation in February 2024 for a full-scale program.

In March 2024, the Board approved a resolution allocating \$2 million in additional funding for this forthcoming C&I decarbonization program. The goal of this program is to support energy and sustainability goals of C&I customers while strengthening relationships with SVCE. The C&I Decarb Program will provide tailored support to SVCE's C&I customers, in support of their energy and carbon reduction goals. The core value proposition to customers is no-cost technical and project management support, with a focus on no and low-cost savings opportunities stemming from behavioral, retro-commissioning and operational (BRO) measures. The program seeks results from projects that are feasible to implement, while providing coaching and technical support to implement more complex, capital projects.

While decarbonization measures are often envisioned as electrification, this is not always possible for C&I customers due to specialized equipment with no or few viable electrification opportunities. For these customers, BRO measures represent the optimal pathway for decarbonizing. However, in addition to BRO measures, the program will support cost-effective electrification projects wherever possible. All projects will be incentivized on an avoided emissions basis, to ensure that program expenditures align with the program's goals.

ANALYSIS & DISCUSSION

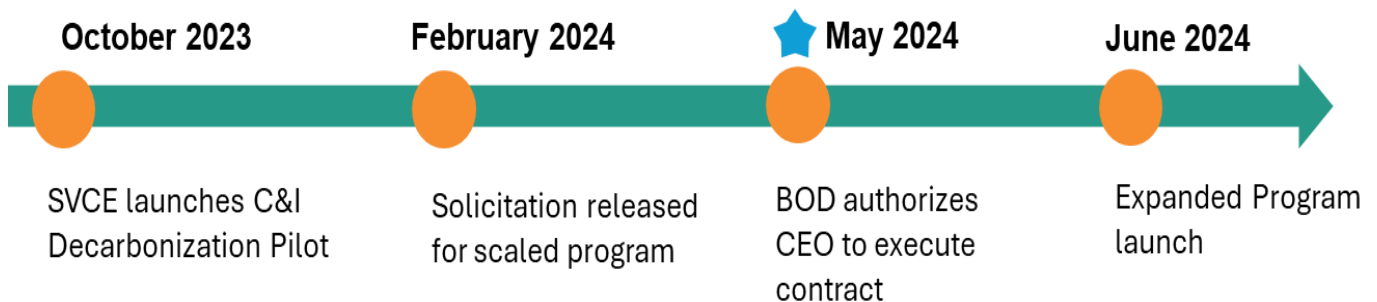
Program Concept

The core concepts behind the C&I program are grounded in a program concept known as Strategic Energy Management (SEM). SEM is a well-understood energy efficiency program model tailored specifically to C&I customers. SVCE’s program will draw core components of the SEM program model, but focus efforts and funding on decarbonization projects rather than energy efficiency. The program will use carbon impacts as the guiding metric to prioritize, assess and incentivize projects with customers. While this is a new approach among C&I customers, many of SVCE’s key accounts have meaningful carbon goals of their own, which can play a strong role in their approach to energy and facilities management.

SVCE launched a limited pilot of the Program in the fall of 2023. While the available budget and timeline restricted service to one SVCE key account, the pilot program conducted outreach to eight SVCE C&I customer accounts. Every customer contacted was interested in the program and indicated their intent to enroll in the full-scale program.

Consultant Selection

SVCE solicited for a vendor with experience in Strategic Energy Management program design and implementation and demonstrated experience in decarbonization with C&I customers. This solicitation was posted on SVCE’s website and distributed to subscribers on SVCE’s listserv and through direct outreach to known program operators. After 4 weeks, seven responses were received from qualified teams with relevant expertise. The overall timeline for the program to-date is below.



The vendor selected through this competitive process was CLEARresult. CLEARresult brings a wealth of experience in Strategic Energy Management, having designed and implemented numerous utility and CCA SEM programs, and having supported the establishment of the program model in California.

The contract and scope of work with CLEARresult is included as Attachment 1. Upon execution of the proposed agreement, CLEARresult will work with SVCE on carbon and energy management training, feasibility assessments, measurement and verification and incentives to SVCE’s C&I customers.

STRATEGIC PLAN

The SVCE C&I Decarbonization Program aligns with SVCE’s Strategic Plan, Goal 12, Measure 7: Develop and implement program(s) for commercial building decarbonization. Broadly, the Program supports Goal 3: to expand SVCE clean energy service with strategic commercial, industrial and institutional customers.

ALTERNATIVE

Do not approve the proposed agreement with CLEARresult. Staff can instead continue efforts to strengthen relationships with C&I customers through continued outreach and SVCE’s generation service, and refer customers to other program administrators who can support customers’ carbon goals through the

Agenda Item: 4**Agenda Date: 5/8/2024**

implementation of energy efficiency and other demand-side projects. This, however, would limit SVCE's ability to support decarbonization and drive acceptance of novel electrification concepts in the important C&I sector.

FISCAL IMPACT

The proposed agreement with CLEAResult includes a contract value of \$2,489,087, with nearly 75% of expense to be paid on performance, for emission reduction results. The program also includes a customer incentive budget of \$2,370,981. The total program budget over the contract duration, including the proposed agreement with CLEAResult as well as customer incentives, is \$4,860,068. The C&I program concept already has \$2.5 million in funding allocated towards it, as previously approved by the Board. To fully fund the work in this contract, additional funding will be recommended for incorporation in the Programs Budget for Fiscal Year 24/25. At that time there will be a minor fiscal impact, but it will be well within the annual allocation of funding typically assigned to SVCE's programs.

ATTACHMENTS

1. Proposed Agreement with CLEAResult

**AGREEMENT BETWEEN THE SILICON VALLEY CLEAN ENERGY AUTHORITY
AND
CLEAResult Consulting Inc.
FOR
Commercial and Industrial Decarbonization Strategic Energy Management Program
Implementation Services**

THIS AGREEMENT (“Agreement”), is entered into the last date of signature (the “Effective Date”) by and between the SILICON VALLEY CLEAN ENERGY AUTHORITY, an independent public agency, ("Authority"), and CLEAResult Consulting Inc., a Texas corporation whose address is 6504 Bridge Point Parkway, Suite 425, Austin, TX 78730 (hereinafter referred to as "Consultant") (collectively referred to as the “Parties” and individually as a “Party”).

RECITALS:

A. Authority is an independent public agency duly organized under the provisions of the Joint Exercise of Powers Act of the State of California (Government Code Section 6500 *et seq.*) (“Act”) with the power to conduct its business and enter into agreements.

B. Consultant possesses the skill, experience, ability, background, certification and knowledge to provide the services described in this Agreement pursuant to the terms and conditions described herein.

C. Authority and Consultant desire to enter into an agreement for implementation services for commercial and industrial decarbonization strategic energy management program upon the terms and conditions herein.

NOW, THEREFORE, the Parties mutually agree as follows:

1. **TERM**

The term of this Agreement shall commence on the Effective Date and shall terminate on December 31, 2027, unless terminated earlier as set forth herein.

2. **SERVICES TO BE PERFORMED**

Consultant shall perform each and every service set forth in Exhibit "A" pursuant to the schedule of performance set forth in Exhibit "B," both of which are attached hereto and incorporated herein by this reference.

3. **COMPENSATION TO CONSULTANT**

Consultant shall be compensated for services performed pursuant to this Agreement in a total amount not to exceed two million four hundred eighty nine thousand and eighty seven dollars (\$2,489,087.00) based on the rates and terms set forth in Exhibit "C," which is attached hereto and incorporated herein by this reference.

4. **TIME IS OF THE ESSENCE**

Consultant and Authority agree that time is of the essence regarding the performance of this Agreement.

5. **STANDARD OF CARE**

Consultant agrees to perform all services required by this Agreement in a manner commensurate with the prevailing standards of specially trained professionals in the San Francisco Bay Area under similar circumstances and in a manner reasonably satisfactory to Authority and agrees that all services shall be performed by qualified and experienced personnel. Consultant shall be responsible to Authority for any errors or omissions in the performance of work pursuant to this Agreement. Should any errors caused by Consultant be found in such services or products, Consultant shall correct the errors at no additional charge to Authority by redoing the professional work and/or revising the work product(s) called for in the Scope of Services to eliminate the errors. Should Consultant fail to make such correction in a reasonably timely manner, such correction may be made by Authority, and the cost thereof shall be charged to Consultant. In addition to all other available remedies, Authority may deduct the cost of such correction from any retention amount held by Authority or may withhold payment otherwise owed Consultant under this Agreement up to the amount of the cost of correction.

6. **INDEPENDENT PARTIES**

Authority and Consultant intend that the relationship between them created by this Agreement is that of an independent contractor. The manner and means of conducting the work are under the control of Consultant, except to the extent they are limited by statute, rule or regulation and the express terms of this Agreement. No civil service status or other right of employment will be acquired by virtue of Consultant's services. None of the benefits provided by Authority to its employees, including but not limited to, unemployment insurance, workers' compensation plans, vacation and sick leave are available from Authority to Consultant, its employees or agents. Deductions shall not be made for any state or federal taxes, FICA payments, PERS payments, or other purposes normally associated with an employer-employee relationship from any fees due Consultant. Payments of the above items, if required, are the responsibility of Consultant. Consultant shall indemnify and hold harmless Authority and its elected officials, officers, employees, servants, designated volunteers, and agents serving as independent contractors in the role of Authority officials, from any and all liability, damages, claims, costs and expenses of any nature to the extent arising from Consultant's personnel practices. Authority shall have the right to offset against the amount of any fees due to Consultant under this Agreement any amount due to Authority from Consultant as a result of Consultant's failure to promptly pay to Authority any reimbursement or indemnification arising under this section.

7. **NO RECOURSE AGAINST CONSTITUENT MEMBERS OF AUTHORITY**

Authority is organized as a Joint Powers Authority in accordance with the Joint Powers Act of the State of California (Government Code Section 6500 et seq.) pursuant to a Joint Powers Agreement dated March 31, 2016, and is a public entity separate from its constituent members. Authority shall solely be responsible for all debts, obligations and liabilities accruing and arising out of this Agreement. Consultant shall have no rights and shall not make any claims, take any actions or assert any remedies against any of Authority's constituent members in connection with this Agreement.

8. **NON-DISCRIMINATION**

In the performance of this Agreement, Consultant, and any subconsultant under the Consultant, shall not discriminate against any employee, subcontractor or applicant for employment because of race, color, religious creed, sex, gender, gender identity, gender expression, marital status, national origin, ancestry, age, physical disability, mental disability, medical condition, genetic information, sexual orientation, military or veteran status, or other basis prohibited by law, except as provided in Government Code section 12940. Consultant shall have responsibility for compliance with this Section.

9. **HOLD HARMLESS AND INDEMNIFICATION**

A. **General Indemnification.** To the fullest extent permitted by law, Consultant shall, at its sole cost and expense, defend, hold harmless and indemnify Authority and its elected officials, officers, attorneys, agents, employees, designated volunteers, successors, assigns and those Authority agents serving as independent contractors in the role of Authority officials (collectively “Indemnitees”), from and against any and all damages, costs, expenses, liabilities, claims, demands, causes of action, proceedings, expenses, judgments, penalties, liens, and losses of any nature whatsoever, including fees of accountants, attorneys, or other professionals and all costs associated therewith and the payment of all consequential damages (collectively “Liabilities”), in law or equity, whether actual, alleged or threatened, which arise out of, are claimed to arise out of, pertain to, or relate to the acts or omissions of Consultant, its officers, agents, servants, employees, subcontractors, materialmen, consultants or their officers, agents, servants or employees (or any entity or individual that Consultant shall bear the legal liability thereof) in the performance of this Agreement, including the Indemnitees’ active or passive negligence, except for Liabilities arising from the sole negligence or willful misconduct of the Indemnitees as determined by court decision or by the agreement of the Parties. Consultant shall defend the Indemnitees in any action or actions filed in connection with any Liabilities with counsel reasonably acceptable to Indemnitees , and shall pay all costs and expenses, including all attorneys’ fees and experts’ costs actually and reasonably incurred in connection with such defense. Consultant shall reimburse the Indemnitees for any and all reasonable legal expenses and costs incurred by Indemnitees in connection therewith, except that Consultant shall not reimburse the Indemnities for any costs relating to shadow legal counsel that Indemnitees retain independently. Notwithstanding the foregoing, should Consultant fail to defend the Indemnitees or should Indemnitees be required to hire legal counsel to preserve its legal rights, such legal expenses and costs incurred by Indemnitees in connection therewith shall be borne by Consultant.

B. **Intellectual Property Indemnification.** Consultant hereby certifies that it owns, controls, or licenses and retains all right, title, and interest in and to any intellectual property it uses in relation to this Agreement, including the design, look, feel, features, source code, content, and other technology relating to any part of the services and including all related patents, inventions, trademarks, and copyrights, all applications therefor, and all trade names, service marks, know how, and trade secrets (collectively referred to as “IP Rights”), except as otherwise expressly provided by this Agreement. Consultant warrants that the services to be provided pursuant to this Agreement do not infringe, violate, trespass, or constitute the unauthorized use or misappropriation of any IP Rights of any third party. Consultant shall indemnify, defend, and hold Indemnitees, harmless from and against any Liabilities by a third party that the services to be provided pursuant to this Agreement infringe or violate any third-party’s IP Rights, provided any

such right is enforceable in the United States. Such costs and expenses shall include reasonable attorneys' fees of counsel of Authority's choice, expert fees and all other costs and fees of litigation.

C. The acceptance of the services by Authority shall not operate as a waiver of these rights of indemnification. The hold harmless and indemnification provisions of this Section shall apply regardless of whether or not any insurance policies are determined to be applicable to the Liability.

D. Consultant's indemnifications and obligations under this section shall survive the expiration or termination of this Agreement.

10. INSURANCE

A. General Requirements. On or before the commencement of the term of this Agreement, Consultant shall furnish Authority with certificates showing the type, amount, class of operations covered, effective dates and dates of expiration of insurance coverage in compliance with the requirements listed in Exhibit "D," which is attached hereto and incorporated herein by this reference. Consultant shall provide thirty (30) days' advance written notice to the Authority by certified mail, Attention: Chief Executive Officer" of any cancellation or modification impacting compliance with the insurance required by tis section. Consultant shall maintain in force at all times during the performance of this Agreement all appropriate coverage of insurance required by this Agreement with an insurance company that is acceptable to Authority and licensed to do insurance business in the State of California. Endorsements naming the Authority as additional insured shall be submitted with the insurance certificates.

B. Subrogation Waiver. Consultant agrees that in the event of loss due to any of the perils for which he/she has agreed to provide comprehensive general and automotive liability insurance, Consultant shall look solely to his/her/its insurance for recovery. Consultant hereby grants to Authority, on behalf of any insurer providing comprehensive general and automotive liability insurance to either Consultant or Authority with respect to the services of Consultant herein, a waiver of any right to subrogation which any such insurer of Consultant may acquire against Authority by virtue of the payment of any loss under such insurance.

C. Failure to Secure or Maintain Insurance. If Consultant at any time during the term hereof should fail to secure or maintain the foregoing insurance, Authority shall be permitted to obtain such insurance in the Consultant's name or as an agent of the Consultant and shall be compensated by the Consultant for the costs of the insurance premiums at the maximum rate permitted by law and computed from the date written notice is received that the premiums have not been paid.

D. Additional Insured. Authority, its members, officers, employees and volunteers shall be named as additional insureds under all insurance coverages, except any professional liability insurance, required by this Agreement. The naming of an additional insured shall not affect any recovery to which such additional insured would be entitled under this policy if not named as such additional insured. An additional insured named herein shall not be held liable for any premium, deductible portion of any loss, or expense of any nature on this policy or any extension thereof. Any other insurance held by an additional insured shall not be required to contribute anything toward any loss or expense covered by the insurance provided by this policy.

E. Sufficiency of Insurance. The insurance limits required by Authority are not represented as being sufficient to protect Consultant. Consultant is advised to confer with Consultant's insurance broker to determine adequate coverage for Consultant.

F. Maximum Coverage and Limits. It shall be a requirement under this Agreement that any available insurance proceeds broader than or in excess of the specified minimum Insurance coverage requirements and/or limits shall be available to the additional insureds. Furthermore, the requirements for coverage and limits shall be the minimum coverage and limits specified in this Agreement, or the broader coverage and maximum limits of coverage of any insurance policy or proceeds available to the named insured, whichever is greater.

11. **CONFLICT OF INTEREST**

Consultant warrants that it, its officers, employees, associates and subcontractors, presently have no interest, and will not acquire any interest, direct or indirect, financial or otherwise, that would conflict in any way with the performance of this Agreement, and that it, its officers, employees, associates and subcontractors, will not employ any person having such an interest. Consultant and its officers, employees, associates and subcontractors, if any, shall comply with all conflict of interest statutes of the State of California applicable to Consultant's services under this Agreement, including the Political Reform Act (Gov. Code § 81000, et seq.) and Government Code Section 1090. During the term of this Agreement, Consultant may perform similar services for other clients, but Consultant and its officers, employees, associates and subcontractors shall not, without the Authority Representative's prior written approval, perform work for another person or entity for whom Consultant is not currently performing work that would require Consultant or one of its officers, employees, associates or subcontractors to abstain from a decision under this Agreement pursuant to a conflict of interest statute. Consultant shall incorporate a clause substantially similar to this section into any subcontract that Consultant executes in connection with the performance of this Agreement. Consultant understands that it may be required to fill out a conflict of interest form if the services provided under this Agreement require Consultant to make certain governmental decisions or serve in a staff Authority, as defined in Title 2, Division 6, Section 18700 of the California Code of Regulations.

12. **PROHIBITION AGAINST TRANSFERS**

Consultant shall not assign, sublease, hypothecate, or transfer this Agreement, or any interest therein, directly or indirectly, by operation of law or otherwise, without prior written consent of Authority. Any attempt to do so without such consent shall be null and void, and any assignee, sublessee, pledgee, or transferee shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer. However, claims for money by Consultant from Authority under this Agreement may be assigned to a bank, trust company or other financial institution without prior written consent. Written notice of such assignment shall be promptly furnished to Authority by Consultant.

The sale, assignment, transfer or other disposition of any of the issued and outstanding capital stock of Consultant, or of the interest of any general partner or joint venturer or syndicate member or cotenant, if Consultant is a partnership or joint venture or syndicate or cotenancy, which shall result in changing the control of Consultant, shall be construed as an assignment of this Agreement. Control means fifty percent (50%) or more of the voting power of the corporation.

13. **SUBCONTRACTOR APPROVAL**

Unless prior written consent from Authority is obtained, only those subcontractors whose names are attached to this Agreement shall be used in the performance of this Agreement.

In the event that Consultant employs subcontractors, such subcontractors shall be required

to furnish proof of workers' compensation insurance and shall also be required to carry general, automobile and professional liability insurance in substantial conformity to the insurance carried by Consultant. In addition, any work or services subcontracted hereunder shall be subject to each provision of this Agreement.

Consultant agrees to include within their subcontract(s) with any and all subcontractors the same requirements and provisions of this Agreement, including the indemnity and insurance requirements, to the extent they apply to the scope of the subcontractor's work. Subcontractors hired by Consultant shall agree to be bound to Consultant and Authority in the same manner and to the same extent as Consultant is bound to Authority under this Agreement. Subcontractors shall agree to include these same provisions within any sub-subcontract. Consultant shall provide a copy of the Indemnity and Insurance provisions of this Agreement to any subcontractor. Consultant shall require all subcontractors to provide valid certificates of insurance and the required endorsements prior to commencement of any work and will provide proof of compliance to Authority.

14. **REPORTS**

A. Each and every report, draft, work product, map, record and other document, hereinafter collectively referred to as "Report", reproduced, prepared or caused to be prepared by Consultant pursuant to or in connection with this Agreement, shall be the exclusive property of Authority. Consultant shall not copyright any Report required by this Agreement and shall execute appropriate documents to assign to Authority the copyright to Reports created pursuant to this Agreement. Any Report, information and data acquired or required by this Agreement shall become the property of Authority, and all publication rights are reserved to Authority. Consultant may retain a copy of any Report furnished to the Authority pursuant to this Agreement.

B. All Reports prepared by Consultant may be used by Authority in execution or implementation of: (1) The original project for which Consultant was hired; (2) Completion of the original project by others; (3) Subsequent additions to the original project; and/or (4) Other Authority projects as Authority deems appropriate in its sole discretion.

C. Consultant shall, at such time and in such form as Authority may require, furnish reports concerning the status of services required under this Agreement.

D. All Reports shall also be provided in electronic format, both in the original file format (e.g., Microsoft Word) and in PDF format.

E. No Report, information or other data given to or prepared or assembled by Consultant pursuant to this Agreement that has not been publicly released shall be made available to any individual or organization by Consultant without prior approval by Authority.

F. Authority shall be the owner of and shall be entitled upon request to immediate possession of accurate reproducible copies of Reports or other pertinent data and information gathered or computed by Consultant prior to termination of this Agreement or upon completion of the work pursuant to this Agreement.

15. **RECORDS**

Consultant shall maintain complete and accurate records with respect to costs, expenses, receipts and other such information required by Authority that relate to the performance of services under this Agreement, in sufficient detail to permit an evaluation of the services and costs. All such records shall be clearly identified and readily accessible. Upon reasonable advance notice, Consultant shall provide escorted access to such books and records to the representatives of

Authority or its designees at all proper times, and gives Authority the right to examine and audit same, and to make transcripts therefrom as necessary, and to allow inspection of all work, data, documents, proceedings and activities related to this Agreement. Such records, together with supporting documents, shall be maintained for a minimum period of five (5) years after Consultant receives final payment from Authority for all services required under this agreement

16. **PARTY REPRESENTATIVES**

The Chief Executive Officer (“Authority Representative”) shall represent the Authority in all matters pertaining to the services to be performed under this Agreement. Keri Macklin (Consultant Representative”) shall represent Consultant in all matters pertaining to the services to be performed under this Agreement.

17. **CONFIDENTIAL INFORMATION AND DOCUMENTS**

A. Consultant covenants that all data, reports, documents, discussion, or other information (collectively “Data”) developed or received by Consultant or provided for performance of this Agreement are deemed confidential and shall not be disclosed or released by Consultant without prior written authorization by Authority. Authority shall grant such authorization if applicable law requires disclosure. Consultant, its officers, employees, agents, or subcontractors shall not without written authorization from the Authority Representative or unless requested in writing by the Authority’s General Counsel, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement or relating to any project or property located within the Authority. Response to a subpoena or court order shall not be considered “voluntary,” provided Consultant gives Authority notice of such court order or subpoena.

B. Consultant shall promptly notify Authority should Consultant, its officers, employees, agents or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed thereunder or with respect to any project or property located within the Authority. Authority may, but has no obligation to, represent Consultant or be present at any deposition, hearing or similar proceeding. Consultant agrees to cooperate fully with Authority and to provide Authority with the opportunity to review any response to discovery requests provided by Consultant. However, Authority’s right to review any such response does not imply or mean the right by Authority to control, direct or rewrite the response.

C. Authority agrees that all proprietary and confidential business information and trade secrets of Consultant (collectively “Confidential Information”) received by Authority in connection with this Agreement and clearly marked as “Confidential” or “Proprietary ” are deemed confidential; however, it is understood that Authority is subject to the California Public Records Act (Gov. Code § 7920.000 *et seq.*). If a request under the California Public Records Act is made to view any documents Consultant provided to Authority, Authority shall notify Consultant of the request and the date that such records will be released to the requester unless Consultant obtains a court order enjoining that disclosure. If Consultant fails to obtain a court order enjoining that disclosure, Authority may disclose without breach of this Agreement the portion of the Confidential Information that was requested on the date specified.

D. In the event Authority gives Consultant written notice of a “litigation hold” or request under the Public Records Act, then as to all data identified in such notice or request,

Consultant shall, at no additional cost to Authority, isolate and preserve all such data pending receipt of further direction from the Authority.

E. Consultant agrees to comply with the confidentiality and data protection provisions set forth in Exhibit “E,” attached hereto and incorporated herein by this reference.

F. The Parties’ covenants under this section shall survive the expiration or termination of this Agreement.

18. **NOTICES**

Any notice, consent, request, demand, bill, invoice, report or other communication required or permitted under this Agreement shall be in writing and conclusively deemed effective: (a) on personal delivery, (b) on confirmed delivery by courier service during Consultant’s and Authority’s regular business hours, or (c) three Business Days after deposit in the United States mail, by first class mail, postage prepaid, and addressed to the Party to be notified as set forth below:

TO AUTHORITY:
333 W. El Camino Real
Suite 330
Sunnyvale CA 94087
Attention: Chief Executive Officer

TO CONSULTANT:
CLEAResult Consulting Inc.
Attention Legal Department
2000 SW First Ave, Suite 220
Portland, OR 97201

19. **TERMINATION**

In the event Consultant or Authority fail or refuse to perform any of the provisions hereof at the time and in the manner required hereunder, that Party shall be deemed in default in the performance of this Agreement. If the defaulting Party fails to cure the default within the time specified (which shall be not less than 20 days) and according to the requirements set forth in the notifying Party’s written notice of default, and in addition to any other remedy available to the notifying Party by law, the notifying Party may terminate the Agreement by giving the defaulting party written notice thereof, which shall be effective immediately. The Authority Representative shall also have the option, at its sole discretion and without cause, of terminating this Agreement by giving thirty (30) calendar days' prior written notice to Consultant as provided herein. Upon receipt of any notice of termination, Consultant shall immediately discontinue performance.

In the event of Authority’s termination of this Agreement due to no fault or failure of performance by Consultant, Authority shall pay Consultant for services satisfactorily performed up to the effective date of termination. Upon termination, Consultant shall immediately deliver to the Authority any and all copies of studies, sketches, drawings, computations, and other material or products, whether or not completed, prepared by Consultant or given to Consultant, in connection with this Agreement. Such materials shall become the property of Authority. Consultant shall have no other claim against Authority by reason of such termination, including any claim for compensation.

20. **COMPLIANCE WITH LAWS**

Consultant shall keep itself informed of all applicable federal, state and local laws, ordinances, codes, regulations and requirements which may, in any manner, affect those employed by it or in any way affect the performance of its services pursuant to this Agreement. Consultant shall, at all times, observe and comply with all such laws and regulations, including, but not limited to the Americans with Disabilities Act, the Stored Communications Act, 18 U.S.C. Section 2701, et seq., California Civil Code Sections 1798.80 through 1798.84, and the California Consumer Privacy Act, Civil Code Section 1798.100 *et seq.* Authority, and its officers and employees, shall not be liable at law or in equity by reason of the failure of the Consultant to comply with this paragraph.

Consultant represents and agrees that all personnel engaged by Consultant in performing services are and shall be fully qualified and are authorized or permitted under state and local law to perform such services. Consultant represents and warrants to Authority that it has all licenses, permits, certificates, qualifications, and approvals required by law to provide the services and work required to perform services under this Agreement, including a business license. Consultant further represents and warrants that it shall keep in effect all such licenses, permits, and other approvals during the term of this Agreement.

21. **CONFLICT OF LAW**

This Agreement shall be interpreted under, and enforced by the laws of the State of California. The Agreement and obligations of the Parties are subject to all valid laws, orders, rules, and regulations of the authorities having jurisdiction over this Agreement (or the successors of those authorities). Any suits brought pursuant to this Agreement shall be filed with the Superior Court of the County of Santa Clara, State of California.

22. **ADVERTISEMENT**

Consultant shall not post, exhibit, display or allow to be posted, exhibited, displayed any signs, advertising, show bills, lithographs, posters or cards of any kind pertaining to the services performed under this Agreement unless prior written approval has been secured from Authority to do otherwise.

23. **WAIVER**

A waiver by Authority or by Consultant of any breach of any term, covenant, or condition contained herein shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant, or condition contained herein, whether of the same or a different character.

24. **INTEGRATED CONTRACT**

This Agreement represents the full and complete understanding of every kind or nature whatsoever between the Parties, and all preliminary negotiations and agreements of whatsoever kind or nature are merged herein. No verbal agreement or implied covenant shall be held to vary the provisions hereof. Any modification of this Agreement will be effective only by a written document signed by both Authority and Consultant.

25. **AUTHORITY**

The individual(s) executing this Agreement represent and warrant that they have the legal Authority and authority to do so on behalf of their respective legal entities.

26. **INSERTED PROVISIONS**

Each provision and clause required by law to be inserted into the Agreement shall be deemed to be enacted herein, and the Agreement shall be read and enforced as though each were included herein. If through mistake or otherwise, any such provision is not inserted or is not correctly inserted, the Agreement shall be amended to make such insertion on application by either Party.

27. **CAPTIONS AND TERMS**

The captions in this Agreement are for convenience only, are not a part of the Agreement and in no way affect, limit or amplify the terms or provisions of this Agreement.

28. **AUTHORITY'S RIGHTS TO EMPLOY OTHER CONSULTANTS**

Authority reserves the right to employ other consultants in connection with the subject matter of the Scope of Services.

29. **EXHIBITS**

The Exhibits referenced in this Agreement are attached hereto and incorporated herein by this reference as though set forth in full in the Agreement. If any inconsistency exists or arises between a provision of this Agreement and a provision of any exhibit, or between a provision of this Agreement and a provision of Consultant's proposal, the provisions of this Agreement shall control.

30. **FORCE MAJEURE**

Consultant shall not be liable for any failure to perform its obligations under this Agreement if Consultant presents acceptable evidence, in Authority's sole judgment, that such failure was due to acts of God, embargoes, inability to obtain labor or materials or reasonable substitutes for labor or materials, governmental restrictions, governmental regulations, governmental controls, judicial orders, enemy or hostile governmental action, civil commotion, pandemic, fire or other casualty, or other causes beyond Consultant's reasonable control and not due to any act by Consultant.

31. **FINAL PAYMENT ACCEPTANCE CONSTITUTES RELEASE**

The acceptance by Consultant of the final payment made under this Agreement shall operate as and be a release of Authority from all claims and liabilities for compensation to Consultant for anything done, furnished or relating to Consultant's work or services. Acceptance of payment shall be any negotiation of Authority's check or the failure to make a written extra compensation claim within ten calendar days of the receipt of that check. However, approval or payment by Authority shall not constitute, nor be deemed, a release of the responsibility and liability of Consultant, its employees, subcontractors and agents for the accuracy and competency of the information provided and/or work performed; nor shall such approval or payment be deemed to be an assumption of such responsibility or liability by Authority for any defect or error in the work prepared by Consultant, its employees, subcontractors and agents.

32. **ATTORNEY FEES**

In any litigation or other proceeding by which a Party seeks to enforce its rights under this

Agreement (whether in contract, tort or both) or seeks a declaration of any rights or obligations under this Agreement, the prevailing Party shall be entitled to recover all attorneys' fees, experts' fees, and other costs actually incurred in connection with such litigation or other proceeding, in addition to all other relief to which that Party may be entitled.

33. **SEVERABILITY**

If any provision in this Agreement is held by a court of competent jurisdiction to be illegal, invalid, void, or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

34. **SUCCESSORS AND ASSIGNS**

The terms and conditions of this Agreement shall be binding on the successors and assigns of the Parties to this Agreement.

35. **NO THIRD PARTY BENEFICIARIES INTENDED**

This Agreement is made solely for the benefit of the Parties to this Agreement and their respective successors and assigns, and no other person or entity may have or acquire a right by virtue of this Agreement.

36. **COUNTERPARTS; FACSIMILE/PDF/ELECTRONIC SIGNATURE**

This Agreement may be executed in multiple counterparts, all of which shall be deemed an original, and all of which will constitute one and the same instrument. The Parties agree that a facsimile, PDF or electronic signature may substitute for and have the same legal effect as the original signature.

37. **DRAFTING PARTY**

This Agreement shall be construed without regard to the Party that drafted it. Any ambiguity shall not be interpreted against either Party and shall, instead, be resolved in accordance with other applicable rules concerning the interpretation of contracts.

IN WITNESS WHEREOF, the Parties have caused the Agreement to be executed as of the date set forth above.

RECOMMENDED FOR APPROVAL

Joey Lande, Energy Services Principal

RECOMMENDED FOR APPROVAL

Amrit Singh, Chief Financial Officer/Director of Administrative Services

CLEAResult Consulting Inc.

By: _____
Name: _____
Title: _____
Date: _____

SILICON VALLEY CLEAN ENERGY
AUTHORITY
A Joint Powers Authority

By: _____
Name: Monica Padilla
Title: Chief Executive Officer
Date: _____

APPROVED AS TO FORM:

Counsel for Authority

ATTEST:

Authority Clerk

DRAFT

Exhibit A Scope of Work

1. Tasks. Consultant shall perform the following in order to implement the strategic energy management (“SEM”) program (“Program”):

1.1. Program Start-Up.

1.1.1. Develop mutually agreed upon Program Implementation Plan (“IP”) containing Program processes and procedures, including defining and describing:

- a. Program Overview
- b. Program Budget and Goals
- c. Narrative
 1. Program Description
 2. Program Delivery and Customer Services
 3. Program Design and Best Practices
 4. Innovation
 5. Metrics
- d. Develop mutually agreed upon Program Manual including:
 1. Commercial and Industrial (“C&I”) customer eligibility requirements and recruitment
 2. Incentive Budget management
 3. Targeted measures and/or interventions
 4. Customer service and engagement
 5. Customer assessments, audits and deliverables
 6. Quality Assurance provisions
 7. Stakeholder and Program Coordination
- e. Develop mutually agreed upon Measurement and Verification (“M&V”) Plan including:
 1. Data collection plan
 2. Procedures for determining estimated costs, savings, useful life, and carbon impacts
 3. Identification of methods, models and/or calculation software that will be used to determine savings and impacts
 4. Description of how, when and why different methodologies may be used
 5. Complete description of types of data which will be required

1.1.2. Develop and revise as necessary all mutually agreed upon start-up Program documentation and materials needed to implement the Program including:

- a. Participation Agreement
- b. Rebate/incentive payment calculation templates and forms
- c. Program explanatory materials such as short slide decks and/or handouts
- d. Email recruitment templates
- e. Educational modules and presentations

1.1.3. Provide, or participate in, training events required to develop and launch the Program.

1.2. Recruiting/Customer Engagement. Consultant will recruit participants based off of a target customer list, to be developed and mutually agreed upon via email with SVCE, including customers that have been identified as having the highest potential for decarbonization. Consultant will offer enrollment throughout the Program, allowing flexibility for participants to join when they are ready. Consultant will develop and provide materials for potential participants including a FAQ sheet.

1.3. Cohort Delivery. Consultant will deliver a mix of a cohort-based and individualized SEM program, depending on customer preferences and agreement with SVCE. SEM engagement will include group workshops, one-on-one events, funding and incentive analysis, and energy management coaching. Consultant will provide encouragement and targeted technical guidance through onsite visits and virtual check-ins.

- 1.4. Project Delivery. Consultant will support customers in the completion of projects under the scope of this program by providing general advisory services. This may include, as applicable and mutually agreed upon, the use of a qualified contractor list, references for technicians with specialization in large commercial and industrial equipment, and/or advising contractors and technicians to ensure that project implementation reflects the recommendations of the Program
- 1.5. Emissions Reduction Calculations and Reporting. Consultant will provide Program participants with the following report:
- 1.5.1. Consultant will measure emissions reduction for the Program in alignment with International Performance Measurement and Verification Protocol (IPMVP) where applicable. Consultant will use other methodologies as outlined in Figure 1 when appropriate for energy-adjacent projects focused on decarbonization using the following strategies outlined in the M&V Plan for the program. Consultant will request approval in writing from SVCE for any energy adjacent projects (as defined in the Implementation Plan)) that would use more than 30% of the program overall budget. SVCE will provide approval or denial in writing via email.

Figure 1: Emissions Reductions Calculation Methodologies

Project Type	Strategy	Reduction Methodology
Electric Efficiency	Low-cost or no-cost efficiency improvements	IPMVP + SVCE electricity emission factor
Gas Efficiency	Low-cost or no-cost efficiency improvements	IPMVP + U.S. EPA natural gas emission factors for greenhouse gasses
Capital Improvement Projects (refrigerants, carbon capture, or methane)	Focused on capital-intensive equipment swaps or upgrades with particular attention to refrigeration and fugitive emissions in the buildings and industrial sectors.	<p>Primary approach: IPMVP where applicable as outlined above</p> <p>Secondary approach: include examples of mutually agreed upon peer-reviewed and recognizable methodologies such as:</p> <ul style="list-style-type: none"> American Carbon Registry, Methodology for the Quantification, Monitoring, Reporting and Verification of Greenhouse Gas Emissions Reductions and Removals from Advanced Refrigeration Systems CPUC Refrigerant Avoided Cost Calculator American Carbon Registry, Greenhouse Gas Emissions Reduction Methodology for Carbon Capture and Storage Projects U.S. Environmental Protection Agency, Protocol for Quantifying and Reporting the Performance of Anaerobic Digestion Systems Verified Carbon Standard, VM0001 Infrared Automatic Refrigerant Leak Detection Efficiency Project Methodology, v1.1 Other standards as appropriate

- 1.5.2. Consultant will prepare a final report (“Decarbonization Report”) for each participant that will be provided to customers and SVCE. The Decarbonization Report will include:
- a. An overview of the participant's involvement in the program.

- b. Documentation of activities completed and projects completed.
- c. Emissions reduction calculations.
- d. Any available documentation that demonstrates participant success and engagement, such as team meeting notes, decarbonization policy, etc.

1.6. Program Reporting Requirements. Consultant will provide SVCE with the following reports:

1.6.1. Monthly invoice(s) will include Participation, Savings and Budget Report.

1.6.2. Monthly Project Pipeline Report will include Saving and Budget Forecast Report.

1.6.3. Customer emissions reduction incentive application will be submitted upon project completion to SVCE for review and payment.

1.6.4. Annual Report summarizing projects completed to-date, current participation overview, savings and budget overview to be completed by January 15th for the preceding year

2. Other Services. Notwithstanding anything to the contrary in the Agreement, SVCE agrees that Consultant may market Consultant's project delivery, decarbonization, strategic energy management, and/or other energy efficiency services directly to any customer and such discussion shall not constitute a conflict of interest so long as such services are outside the scope of the Services Consultant is providing under this SOW. Consultant shall specifically disclose to customers that there is no connection between SVCE and work Consultant does outside of the scope of Services provided under this SOW. The Consultant is prohibited from using any information obtained from SVCE or in the scope of Services provided under this SOW to solicit business from any third party, including customers.

3. Change Procedure. The Agreement, including any exhibits, schedules or attachments including this SOW, contains the entire agreement of the parties regarding the subject matter described in it. In the event of any conflict between the terms and conditions of the Agreement and this SOW, the applicable term or condition of the Agreement supersedes the conflicting term or condition in this SOW, unless the parties clearly express in writing that the SOW includes a change to the Agreement. The provisions of this SOW may not be amended, except by an agreement in writing signed by the party against whom enforcement of any amendment is sought. This SOW may be executed in two (2) or more counterparts, all of which will constitute but one and the same instrument.

4. SVCE Obligations. SVCE will provide the following:

4.1. List of data requirements to capture in Program metrics.

4.2. Customer energy data for participants, as received by SVCE from Pacific Gas & Electric ("PG&E").

4.2.1. In some cases, customer authorization and data access via Green Button may be the optimal pathway for accessing customer data

4.3. List of eligible customers and contact information in a secure format as mutually agreed upon by the parties via email and refreshed at a regular cadence.

4.4. Marketing to raise awareness of the Program and create sufficient customer demand to meet any Program targets.

4.5. Other support, information, and feedback within five (5) business days of a request from Consultant in connection with the Services provided under this SOW.

Exhibit B
Schedule of Performance

This schedule may be modified with the email approval of the Authority.

Task	Begin	Complete
1. Program Startup and Documentation	5/9/2024	5/31/2024
2. Recruiting and Customer Engagement	Ongoing	Ongoing
3. Cohort Delivery	Ongoing	Ongoing

Exhibit C
Compensation

Authority shall compensate Consultant for professional services in accordance with the terms and conditions of this Agreement based on the rates and compensation schedule set forth below. Compensation shall be calculated based on the hourly rates set forth below up to the not to exceed budget amount set forth below.

The compensation to be paid to Consultant under this Agreement for all services described in Exhibit “A” and reimbursable expenses shall not exceed a total of two million four hundred thousand eighty nine thousand eighty seven dollars (\$2,489,087), as set forth below. Any work performed or expenses incurred for which payment would result in a total exceeding the maximum amount of compensation set forth herein shall be at no cost to Authority unless previously approved in writing by Authority.

Budget.

- a. Administration Budget. This SOW is based upon a fixed fee and pay-for-performance basis. Consultant will bill Authority based on the fees in the table below.

Title	Rate	2024	2025	2026	2027	Total not to exceed per category
Start-up Milestone Fee charged upon completion of tasks in section 6.1	\$30,000	\$30,000	\$0	\$0	\$0	\$30,000
Monthly Fixed Fee	\$1,000 per active participant per month	\$84,000	\$282,000	\$222,000	\$12,000	\$600,000
Performance Fee	\$230 per MTCO2e	\$161,000	\$892,954	\$600,348	\$204,785	\$1,859,087
Estimated Annual Budget		\$275,000	\$1,174,954	\$822,348	\$216,785	

MTCO2e = metric tons of carbon dioxide-equivalent

- b. Performance Payments may be issued at the time of completion for any project that does not require post-project implementation measurement, using energy or interval energy data (e.g. projects which calculate savings based on a workpaper).
- c. Projects that require post project implementation measurement data may be paid at 50% of their value based on a calculated forecast – at the point of project completion – with the remaining 50% being paid once post project measurement data is available and evaluated.
- d. Payment. Consultant will provide Authority with an itemized invoice referencing this Agreement on the face of the invoice. Authority will make payment within thirty (30) days of the date of such invoice. All invoices shall be e-mailed to:

Silicon Valley Clean Energy
Attention: Joey Lande
E-mail: invoices@svcleanenergy.org

- e. Transaction Taxes. Authority agrees, for purposes of any sales tax, use tax, excise tax, valued-added tax, gross receipts tax, or any other transaction tax (collectively, “**Sales Taxes**”), that Authority is solely responsible for all Sales Taxes that arise under this SOW. The prices under this SOW do not include Sales Taxes, and Authority shall pay all Sales Taxes, if any, charged by Consultant under this SOW.

Invoices

Monthly Invoicing: In order to request payment, Consultant shall submit monthly invoices to the Authority describing the services performed and the applicable charges (including a summary of the work performed during that period, personnel who performed the services, hours worked, task(s) for which work was performed). Authority shall pay all undisputed invoice amounts within thirty (30) calendar days after receipt up to the maximum compensation set forth herein. Authority does not pay interest on past due amounts.

Reimbursable Expenses

Administrative, overhead, secretarial time or overtime, word processing, photocopying, in house printing, insurance and other ordinary business expenses are included within the scope of payment for services and are not reimbursable expenses. Travel expenses must be authorized in advance in writing by Authority

Additional Services

Consultant shall provide additional services outside of the services identified in Exhibit A as provided in this paragraph. Consultant shall submit, at the Authority Representative’s request, a detailed written proposal including a description of the scope of additional services, schedule, and proposed maximum compensation. Any changes mutually agreed upon by the Parties, and any increase or decrease in compensation, shall be incorporated by written amendments to this Agreement.

Exhibit D
Insurance Requirements and Proof of Insurance

Consultant shall maintain the following minimum insurance coverage:

A. **COVERAGE:**

- (1) **Workers' Compensation:**
Statutory coverage as required by the State of California.
- (2) **Liability:**
Commercial general liability coverage with minimum limits of \$1,000,000 per occurrence and \$2,000,000 aggregate for bodily injury and property damage. ISO occurrence Form CG 0001 or equivalent is required.
- (3) **Automotive:**
Comprehensive automotive liability coverage with minimum limits of \$1,000,000 per accident for bodily injury and property damage. ISO Form CA 0001 or equivalent is required.
- (4) **Professional Liability**
Professional liability insurance which includes coverage for the professional acts, errors and omissions of Consultant in the amount of at least \$1,000,000.
- (5) **Privacy and Cybersecurity Liability**

Privacy and cybersecurity liability (including costs arising from data destruction, hacking or intentional breaches, crisis management activity related to data breaches, and legal claims for security breach, privacy violations, and notification costs of at least \$5,000,000 US per occurrence.

Exhibit E
Confidentiality and Data Security Requirements

Subject to the terms and conditions of the Agreement, current proprietary and confidential information of Authority regarding customers of Authority (“Authority Customers”) and/or other confidential information (collectively “Confidential Information”) may be disclosed to Consultant from time to time in connection herewith solely for the purposes set forth in the Agreement. Such disclosure is subject to the following legal continuing representations and warranties by Consultant:

1. The Confidential Information disclosed to Consultant in connection herewith may include, without limitation, the following information about Authority Customers: (a) names; (b) addresses; (c) telephone numbers and email addresses; (d) service agreement numbers and account numbers; (e) meter and other identification numbers; (f) Authority-designated account numbers; (g) electricity and gas usage (including monthly usage, monthly maximum demand, electrical or gas consumption, HP load, and other data detailing electricity or gas needs and patterns of usage); (h) billing information (including rate schedule, baseline zone, CARE participation, end use code (heat source) service voltage, medical baseline, meter cycle, bill cycle, balanced payment plan and other plans); (i) payment / deposit status; (j) number of units; and (k) other similar information specific to Authority Customers individually or in the aggregate. Confidential Information shall also include specifically any copies, drafts, revisions, analyses, summaries, extracts, memoranda, reports and other materials prepared by Consultant or its representatives that are derived from or based on Confidential Information disclosed by Authority, regardless of the form of media in which it is prepared, recorded or retained.
2. Except for electric and gas usage information provided to Consultant pursuant to this Agreement, Confidential Information does not include information that Consultant proves (a) was properly in the possession of Consultant at the time of disclosure; (b) is or becomes publicly known through no fault of Consultant, its employees or representatives; or (c) was independently developed by Consultant, its employees or representatives without access to any Confidential Information.
3. From the Effective Date, no portion of the Confidential Information may be disclosed, disseminated or appropriated by Consultant, or used for any purpose other than the purposes set forth in the Agreement.
4. Consultant shall, at all times and in perpetuity, keep the Confidential Information in the strictest confidence and shall take all reasonable measures to prevent unauthorized or improper disclosure or use of Confidential Information. Consultant shall implement and maintain reasonable security procedures and practices appropriate to the nature of the information, to protect the personal information from unauthorized access, destruction, use, modification, or disclosure and prohibits the use of the data for purposes not set forth in the Agreement. Specifically, Consultant shall restrict access to Confidential Information, and to materials prepared in connection therewith, to those employees or representatives of Consultant who have a “need to know” such Confidential Information in the course of

their duties with respect to the Consultant program and who agree to be bound by the nondisclosure and confidentiality obligations of this Agreement. Prior to disclosing any Confidential Information to its employees or representatives, Consultant shall require such employees or representatives to whom Confidential Information is to be disclosed to review this Agreement and to agree to be bound by the terms of this Agreement. Consultant shall not disclose Confidential Information or otherwise make it available, in any form or manner, to any other person or entity that is not Consultant's employee or representative (a "Third Party"), except where that Third Party has separately entered into a nondisclosure agreement with Authority. Without limiting Consultant's obligation of confidentiality as further described herein, Consultant shall be responsible for establishing, maintaining, and providing a written description to Authority of, a data privacy and information security program, including physical, technical, administrative, and organizational safeguards, that comply with or are substantial similar to the security controls identified in the current version of NIST SP800-53, and that is designed to: (a) ensure the security and confidentiality of the Authority's Data; (b) protect against any anticipated threats or hazards to the security or integrity of the Data; (c) protect against unauthorized disclosure, access to, or use of the Data; (d) ensure the proper disposal of Data; and, (e) ensure that all employees, agents, and subcontractors of Consultant, if any, comply with all of the foregoing. In no case shall the safeguards of Consultant's data privacy and information security program used to protect Data be less stringent than the safeguards used by Consultant for its own data. If the services include handling credit card information, then the Consultant shall comply at all times with all applicable Payment Card Industry Data Security Standards (PCI-DSS). Consultant agrees and warrants that it is responsible for the security of "cardholder data" that Consultant possesses, stores, processes or transmits on behalf of the Authority, and for any impact on the security of Authority's cardholder data environment adversely affected by any failure of Company to maintain compliance with provisions of the PCI-DSS applicable to the services. No less than annually, Consultant shall conduct a comprehensive independent third-party audit of its data privacy and information security program and provide such audit findings to Authority. The required audit shall be a SAS-70 (or successor standard) compliant audit, and Consultant shall provide the audit findings in the form of an SAS-70 Type II report.

5. Notwithstanding the above, Consultant may disclose Confidential Information to the extent required by an order, subpoena, or lawful process requiring the disclosure of such Confidential Information issued by a court or other governmental authority of competent jurisdiction, provided that Consultant notifies Authority immediately upon receipt thereof to allow Authority to seek protective treatment for such Confidential Information.
6. In the event of any act, error or omission, negligence, misconduct, or breach that permits any unauthorized access to, or that compromises or is suspected to compromise the security, confidentiality, or integrity of the Authority's Data or the physical, technical, administrative, or organizational safeguards put in place by Consultant that relate to the protection of the security, confidentiality, or integrity of the Data, Consultant shall, as applicable: (a) notify Authority as soon as practicable but no later than twenty-four (24) hours of becoming aware of such occurrence; (b) cooperate with Authority in investigating the occurrence, including making available all relevant records, logs, files, data reporting, and other materials required to comply with applicable law or as otherwise

required by Authority; (c) in the case of Confidential Information, at Authority's sole election, (i) notify the affected individuals who comprise the Confidential Information as soon as practicable but no later than is required to comply with applicable law including, but not limited to, the provisions of California Civil Code Section 1798.82, or, in the absence of any legally required notification period, within five (5) calendar days of becoming aware of the occurrence; or, (ii) reimburse Authority for any costs in notifying the affected individuals; (d) in the case of Confidential Information, provide third-party credit and identity monitoring services to each of the affected individuals who comprise the Confidential Information for the period required to comply with applicable law, or, in the absence of any legally required monitoring services, for no less than twelve (12) months following the date of notification to such individuals; (e) perform or take any other actions required to comply with applicable law as a result of the occurrence; (f) without limiting Consultant's obligations of indemnification as further described in this Agreement, indemnify, defend, and hold harmless Authority for any and all Claims (as defined herein), including reasonable attorneys' fees, costs, and expenses incidental thereto, which may be suffered by, accrued against, charged to, or recoverable from Authority in connection with the occurrence; (g) be responsible for recreating lost Data in the manner and on the schedule set by Authority without charge to Authority; (h) provide to Authority a detailed plan within ten (10) calendar days of the occurrence describing the measures Consultant will undertake to prevent a future occurrence and (i) upon conclusion of the occurrence, or at Authority's request, provide to Authority a comprehensive summary of the occurrence, including reason for occurrence, details of occurrence, how occurrence was addressed and any other information required by Authority, which shall be executed by Consultant and may be relied upon by Authority as a true and accurate account of the occurrence. Notification to affected individuals, as described above, shall comply with applicable law, be written in plain language, and contain, at a minimum: name and contact information of Consultant's representative; a description of the nature of the loss; a list of the types of data involved; the known or approximate date of the loss; how such loss may affect the affected individual; what steps Consultant has taken to protect the affected individual; what steps the affected individual can take to protect himself or herself; contact information for major credit card reporting agencies; and, information regarding the credit and identity monitoring services to be provided by Consultant. This Section shall survive the termination of this Agreement.

7. It shall be considered a material breach of this Agreement if Consultant engages in a pattern or practice of accessing, storing, using, or disclosing the Confidential Information in violation of the contractual obligations described herein. Consultant understands that if Authority finds that Consultant is engaged in a pattern or practice of accessing, storing, using, or disclosing Confidential Information in violation of this Agreement Authority shall promptly cease all disclosures of Confidential Information to Consultant. Consultant further understands that if Authority receives a customer complaint about Consultant's misuse of data or other violation of the Disclosure Provisions, Authority shall promptly cease disclosing that customer's information to Consultant and shall notify the California Public Utilities Commission of the complaint.

8. Consultant shall be liable for the actions of, or any disclosure or use by, its employees or representatives contrary to this Agreement; however, such liability shall not limit or prevent any actions by Authority directly against such employees or representatives for improper disclosure and/or use. In no event shall Consultant or its employees or representatives take any actions related to Confidential Information that are inconsistent with holding Confidential Information in strict confidence. Consultant shall immediately notify Authority in writing if it becomes aware of the possibility of any misuse or misappropriation of the Confidential Information by Consultant or any of its employees or representatives. However, nothing in this Agreement shall obligate the Authority to monitor or enforce the Consultant's compliance with the terms of this Agreement.
9. Consultant shall comply with the consumer protections concerning subsequent disclosure and use set forth in Attachment B to California Public Utilities Commission (CPUC) Decision No. 12-08-045.
10. In addition to any other requirements set forth in the Agreement, within ten (10) business days of receipt of Authority's written request, and at Authority's option, Consultant will either return to Authority all tangible Confidential Information, including but not limited to all electronic files, documentation, notes, plans, drawings, and copies thereof, or will provide Authority with written certification that all such tangible Confidential Information of Authority has been destroyed.
11. Consultant acknowledges that disclosure or misappropriation of any Confidential Information could cause irreparable harm to Authority and/or Authority Customers, the amount of which may be difficult to assess. Accordingly, Consultant hereby confirms that the Authority shall be entitled to apply to a court of competent jurisdiction or the California Public Utilities Commission for an injunction, specific performance or such other relief (without posting bond) as may be appropriate in the event of improper disclosure or misuse of its Confidential Information by Consultant or its employees or representatives. Such right shall, however, be construed to be in addition to any other remedies available to the Authority, in law or equity.
12. In addition to all other remedies, Consultant shall indemnify and hold harmless Authority, its officers, employees, or agents from and against and claims, actions, suits, liabilities, damages, losses, expenses and costs (including reasonable attorneys' fees, costs and disbursements) attributable to actions or non-actions of Consultant and/or its employees and/or its representatives in connection with the use or disclosure of Confidential Information.
13. When Consultant fully performs the purposes set forth in the Agreement, or if at any time Consultant ceases performance or Authority requires Consultant cease performance of the purposes set forth in the Agreement, Consultant shall promptly return or destroy (with written notice to Authority itemizing the materials destroyed) all Confidential Information then in its possession at the direction of Authority. Notwithstanding the foregoing, the nondisclosure obligations of this Agreement shall survive any termination of this Agreement.



Silicon Valley Clean Energy Board of Directors Meeting

May 8, 2024

Appendix A

Power Resource Contracts Executed by CEO

**MASTER POWER PURCHASE AND SALE AGREEMENT
CONFIRMATION LETTER – RESOURCE ADEQUACY
BETWEEN
SHELL ENERGY NORTH AMERICA (US), L.P.
AND
SILICON VALLEY CLEAN ENERGY AUTHORITY**

This Confirmation Letter ("Confirmation") confirms the Transaction between **Shell Energy North America (US), L.P.**, a Delaware limited partnership ("Seller") and **Silicon Valley Clean Energy Authority**, a California joint powers authority ("Buyer"), and each individually a "Party" and together the "Parties", dated as of April 1, 2024 (the "Confirmation Effective Date") in which Seller agrees to provide to Buyer the right to the Product, as such term is defined in Article 3 of this Confirmation.

This Transaction is governed by the Edison Electric Institute Master Power Purchase and Sale Agreement between the Parties, effective as of November 28, 2016, along with any annexes (including Paragraph 10 of the Collateral Annex, as applicable) and amendments thereto (collectively, the "Master Agreement"). The Master Agreement and this Confirmation shall be collectively referred to herein as the "Agreement". Capitalized terms used but not otherwise defined in this Confirmation have the meanings ascribed to them in the Master Agreement or the Tariff (defined herein below).

ARTICLE 1. DEFINITIONS

- 1.1** "Alternate Capacity" means any replacement Product which Seller has elected to provide to Buyer in accordance with the terms of Section 4.5.
- 1.2** "Applicable Laws" means any law, rule, regulation, order, decision, judgment, or other legal or regulatory determination by any Governmental Body having jurisdiction over one or both Parties or this Transaction, including without limitation, the Tariff.
- 1.3** "Availability Incentive Payments" shall mean Availability Incentive Payments as defined in FERC filing ER09-1064 or such other similar term as modified and approved by FERC thereafter to be incorporated in the Tariff or otherwise applicable to CAISO.
- 1.4** "Availability Standards" shall mean the availability standards set forth in Section 40.9 of the Tariff.
- 1.5** "Buyer" has the meaning specified in the introductory paragraph hereof.
- 1.6** "CAISO" means the California Independent System Operator Corporation or its successor.
- 1.7** "Capacity Replacement Price" means (a) the price actually paid for any Replacement Capacity purchased by Buyer pursuant to Section 4.7 hereof, plus costs reasonably incurred by Buyer in purchasing such Replacement Capacity, or (b) absent a purchase of any Replacement Capacity, the market price for such Designated RA Capacity not provided at the Delivery Point. Buyer shall determine such market prices in a commercially reasonable manner. For purposes of Section 1.51 of the Master Agreement, "Capacity Replacement Price" shall be deemed to be the "Replacement Price" as used in the Master Agreement.
- 1.8** "Confirmation" has the meaning specified in the introductory paragraph hereof.
- 1.9** "Confirmation Effective Date" has the meaning specified in the introductory paragraph hereof.
- 1.10** "Contingent Firm RA Product" has the meaning specified in Section 3.2 hereof.
- 1.11** "Contract Price" means, for any Monthly Delivery Period, the price for such Monthly Delivery Period as specified in the "RA Capacity Price Table" set forth in Section 4.9.
- 1.12** "Contract Quantity" means, with respect to any particular Showing Month of the Delivery Period, the amount of Product (in MWs) set forth in the "Contract Quantity Table" in Section 4.3 which Seller has agreed to provide to Buyer from the Unit for such Showing Month.

- 1.13 "CPUC Decisions" means, CPUC Decisions 04-01-050, 04-10-035, 05-10-042, 06-06-064, 06-07-031, 07-06-029, 08-06-031, 09-06-028, 10-06-036, 11-06-022, 12-06-025, 13-06-024, 14-06-050 and subsequent decisions related to resource adequacy, as may be amended from time to time by the CPUC.
- 1.14 "CPUC Filing Guide" means the annual document issued by the CPUC which sets forth the guidelines, requirements and instructions for LSE's to demonstrate compliance with the CPUC's resource adequacy program.
- 1.15 "Delivery Period" has the meaning specified in Section 4.1 hereof.
- 1.16 "Delivery Point" has the meaning specified in Section 4.2 hereof.
- 1.17 "Designated RA Capacity" shall be equal to, for each day during any particular Showing Month of the Delivery Period, the Contract Quantity of Product for such Showing Month, including the amount of Contract Quantity that Seller has elected to provide Alternate Capacity with respect to, minus any reductions to Contract Quantity specified in Section 4.4 with respect to which Seller has not elected to provide Alternate Capacity.
- 1.18 "Effective Flexible Capacity" has the meaning specified for such term in the Tariff.
- 1.19 "Flexible Capacity Requirements" or "FCR" means the flexible capacity requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, or by an LRA or other Governmental Body having jurisdiction.
- 1.20 "Flexible RA Product" means Designated RA Capacity consisting of FCR Attributes, and, if applicable, LAR Attributes and/or RAR Attributes.
- 1.21 "FCR Attributes" means, with respect to a Unit, any and all flexible resource adequacy attributes, that can be counted toward an LSE's FCR, as they are identified from time to time by the CPUC Decisions, the Tariff, an LRA or other Governmental Body having jurisdiction, exclusive of any LAR Attributes and RAR Attributes.
- 1.22 "FCR Showing" means the FCR compliance showings (or similar or successor showings) an LSE is required to make to the CPUC (and, to the extent authorized by the CPUC, to the CAISO) pursuant to the CPUC Decisions and the Tariff, or to an LRA having jurisdiction over the LSE.
- 1.23 "Generic RA Product" means Designated RA Capacity consisting of RAR Attributes and, if applicable, LAR Attributes, but not FCR Attributes.
- 1.24 "Governmental Body" means (i) any federal, state, local, municipal or other government; (ii) any governmental, regulatory or administrative agency, commission or other authority lawfully exercising or entitled to exercise any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power; and (iii) any court or governmental tribunal.
- 1.25 "LAR" means local area reliability, which is any program of localized resource adequacy requirements established for jurisdictional LSEs by the CPUC pursuant to the CPUC Decisions, or by another LRA having jurisdiction over the LSE, as implemented in the Tariff. LAR may also be known as local resource adequacy, local RAR, or local capacity requirement in other regulatory proceedings or legislative actions.
- 1.26 "LAR Attributes" means, with respect to a Unit, any and all resource adequacy attributes (or other locational attributes related to system reliability), as they are identified from time to time by the CPUC Decisions, CAISO, LRA, or other Governmental Body having jurisdiction, associated with the physical location or point of electrical interconnection of such Unit within the CAISO Control Area, that can be counted toward LAR, exclusive of any RA Attributes which are not associated with where in the CAISO Control Area the Unit is physically located or electrically interconnected. For clarity, it should be understood that if the CAISO, LRA, or other Governmental Body, defines new or re-defines existing local areas, then such change will not result in a change in payments made pursuant to this Transaction.

- 1.27 "LAR Showings" means the LAR compliance showings (or similar or successor showings) an LSE is required to make to the CPUC (and, to the extent authorized by the CPUC, to the CAISO) pursuant to the CPUC Decisions, or to an LRA having jurisdiction over the LSE.
- 1.28 "LRA" has the meaning set for in the Tariff for the term "Local Regulatory Authority".
- 1.29 "LSE" has the meaning specified in the Tariff for the term "Load Serving Entity".
- 1.30 "Master Agreement" has the meaning specified in the introductory paragraph hereof.
- 1.31 "Monthly Delivery Period" means each calendar month during the Delivery Period and shall correspond to each Showing Month.
- 1.32 "Net Qualifying Capacity" has the meaning set forth in the Tariff.
- 1.33 "Non-Excusable Event" means any event, other than a Planned Outage and those events described under the definition of "Unit Firm" in the Master Agreement that excuse Seller's performance, that causes Seller to fail to perform its obligations under this Confirmation, including, without limitation, any such event resulting from (a) the negligence of the owner, operator or Scheduling Coordinator of a Unit, or (b) Seller's failure to comply, or failure to cause the owner, operator or Scheduling Coordinator of the Units to comply, with the terms of the Tariff with respect to the Units providing RA Attributes, Flexible RA Attributes or LAR Attributes, as applicable.
- 1.34 "Non-Availability Charges" are as defined in the Tariff.
- 1.35 "Notification Deadline" means, for each Showing Month, the date that is fifteen (15) Business Days before the earlier of the relevant deadlines for (a) the corresponding RAR Showings, FCR Showings and/or LAR Showings for such Showing Month, and (b) the Supply Plan filings applicable to that Showing Month.
- 1.36 "Outage" means any CAISO approved disconnection, separation, or reduction in the capacity of any Unit that relieves all or part of the offer obligations of the Unit consistent with the Tariff. For the avoidance of doubt, Outage shall be deemed to include Planned Outage (defined below).
- 1.37 "Planned Outage" means, subject to and as further described in the Tariff, a CAISO-approved planned or scheduled disconnection, separation or reduction in capacity of the Unit that is conducted for the purposes of carrying out routine repair or maintenance of such Unit.
- 1.38 "Product" has the meaning specified in Article 3 hereof.
- 1.39 "RA Capacity" means the qualifying and deliverable capacity of the Unit for RAR and, if applicable, LAR, and FCR purposes for the Delivery Period, as determined by the CAISO or other Governmental Body authorized to make such determination under Applicable Laws. RA Capacity encompasses the applicable RA Attributes, and if applicable, LAR Attributes and FCR Attributes of the capacity provided by a Unit.
- 1.40 "RA Capacity Payment" has the meaning specified in Section 4.9 hereof.
- 1.41 "RAR" means the resource adequacy requirements, exclusive of LAR established for LSEs by the CPUC pursuant to the CPUC Decisions, or by an LRA or other Governmental Body having jurisdiction.
- 1.42 "RAR Attributes" means, with respect to a Unit, any and all resource adequacy attributes, as identified and existing as of the Confirmation Date by the Tariff, CPUC Decisions, LRA, or any Governmental Body having jurisdiction that can be counted toward RAR, exclusive of any LAR Attributes and FCR Attributes.
- 1.43 "RAR Showings" means the RAR compliance showings (or similar or successor showings) an LSE is required to make to the CPUC (and/or, to the extent authorized by the CPUC, to the CAISO), pursuant to the Tariff or CPUC Decisions, or to an LRA having jurisdiction.
- 1.44 "Replacement Capacity" has the meaning specified in Section 4.7 hereof.

- 1.45 "Replacement Unit" means any generating unit having comparable RAR Attributes, LAR Attributes and, if applicable, FCR Attributes to the Unit(s), meeting the requirements for a Unit specified herein and meeting the requirements specified in Section 4.5.
- 1.46 "Resource Category" shall be as described in the CPUC Filing Guide, as such may be modified, amended, supplemented or updated from time to time.
- 1.47 "Scheduling Coordinator" has the same meaning as in the Tariff.
- 1.48 "Seller" has the meaning specified in the introductory paragraph hereof.
- 1.49 "Showing Month" shall be the calendar month during the Delivery Period that is the subject of the RAR Showing, LAR Showing, and/or FCR Showing, as applicable, as set forth in the CPUC Decisions or Tariff. For illustrative purposes only, the monthly RAR Showing made in June is for the Showing Month of August.
- 1.50 "Supply Plan" has the meaning specified in the Tariff.
- 1.51 "Tariff" means the tariff and protocol provisions of the CAISO, as amended or supplemented from time to time. For purposes of Article 5, the Tariff refers to the tariff and protocol provisions of the CAISO as they exist on the Confirmation Effective Date.
- 1.52 "Transaction" has the meaning specified in the introductory paragraph hereof.
- 1.53 "Unit" or "Units" shall mean the generation assets described in Article 2 hereof (including any Replacement Units), from which RA Capacity is provided by Seller to Buyer.
- 1.54 "Unit EFC" means the Effective Flexible Capacity set by the CAISO for the applicable Unit. If the CAISO adjusts the Unit EFC after the Confirmation Effective Date, then for the period in which the adjustment is effective, the Unit EFC shall be deemed the lesser of (i) the Unit EFC as of the Confirmation Effective Date, or (ii) the CAISO-adjusted Effective Flexible Capacity.
- 1.55 "Unit NQC" means the Net Qualifying Capacity set by the CAISO for the applicable Unit. If the CAISO adjusts the Net Qualifying Capacity of a Unit after the Confirmation Effective Date, then for the period in which the adjustment is effective, the Unit NQC shall be deemed the lesser of (i) the Unit NQC as of the Confirmation Effective Date, or (ii) the CAISO-adjusted Net Qualifying Capacity.

ARTICLE 2. UNIT INFORMATION

Name	Fifth Standard Solar Project
Location	Fresno County, CA
CAISO Resource ID	FIFTHS_2_FSSBT
Unit NQC	117 MW
Unit EFC	117 MW
Resource Type	Battery Energy Storage System
Resource Category (1, 2, 3 or 4)	4
Flexible RAR Category (1, 2 or 3)	2
Path 26 (North or South)	North
Local Capacity Area (if any, as of Confirmation Effective Date)	N/A
Deliverability restrictions, if any, as described in most recent CAISO deliverability assessment	N/A
Run Hour Restrictions	4-hour sustainable output at maximum discharge per cycle

ARTICLE 3. RESOURCE ADEQUACY CAPACITY PRODUCT

3.1 During the Delivery Period, Seller shall provide to Buyer, pursuant to the terms of this Confirmation, the Designated RA Capacity in accordance with the product types selected in Section 3.2 (the "Product") and the Contract Quantity set forth in Section 4.3. The Product does not confer to Buyer any right to the electrical output from the Units, other than the right to include the Designated RA Capacity associated with the Contract Quantity in RAR Showings, LAR Showings, and/or FCR Showings, as applicable, and any other capacity or resource adequacy markets or proceedings as specified in this Confirmation. Specifically, no energy or ancillary services associated with any Unit is required to be made available to Buyer as part of this Transaction and Buyer shall not be responsible for compensating Seller for Seller's commitments to the CAISO required by this Confirmation. Seller retains the right to sell any pursuant to the Tariff any RA Capacity from a Unit in excess of that Unit's Contract Quantity and any RA Attributes, LAR Attributes or FCR Attributes not otherwise transferred, conveyed, or sold to Buyer under this Confirmation.

3.2 Product Type Flexible RA Product

The Designated RA Capacity is a Flexible RA Product. For avoidance of doubt, the Flexible RA Product to be delivered by Seller to Buyer hereunder shall include the following Product attributes:

- FCR Attributes with LAR Attributes
- FCR Attributes with RAR Attributes

 Generic RA Product

The Designated RA Capacity is a Generic RA Product. For avoidance of doubt, the Generic RA Product to be delivered by Seller to Buyer hereunder shall include the following Product attributes:

- RAR Attributes
- LAR Attributes

3.3 Delivery Obligation

Contingent Firm RA Product

Seller shall provide Buyer with Designated RA Capacity from the Units. If those Units are not able to provide the full amount of the Contract Quantity as a result of a Non-Excusable Event, then, subject to Section 4.4, Seller shall have the option to notify Buyer in writing by the Notification Deadline that either (a) Seller will not provide the full Contract Quantity during the period of such non-availability; or (b) Seller will supply Alternate Capacity to fulfill the remainder of the Contract Quantity during such period. If Seller fails to provide Buyer with the Contract Quantity as a result of a Non-Excusable Event and has failed to notify Buyer in writing by the Notification Deadline that it will not provide the full Contract Quantity during the period of such non availability as provided in Section 4.4, then Seller shall be liable for damages and/or required to indemnify Buyer for any resulting penalties or fines pursuant to the terms of Sections 4.7 and 4.8 hereof. Notwithstanding anything herein to the contrary, if Seller provides less than the full amount of the Contract Quantity for any reason other than a Non-Excusable Event or in accordance with Section 4.4, and Seller provides notice of such by the Notification Deadline, Seller is not obligated to provide Buyer with Alternate Capacity or to indemnify Buyer for any resulting penalties or fines. The Product is a Contingent Firm RA Product, and with respect to this Contingent Firm RA Product, "Contingent Firm" shall have the same meaning as "Unit Firm" in the Master Agreement.

Firm RA Product

Seller shall provide Buyer with Designated RA Capacity from the Unit(s) in the amount of the Contract Quantity. If the Units are not available to provide the full amount of the Contract Quantity for any reason other than Force Majeure, including without limitation any Outage or any adjustment of the RA Capacity of any Unit, pursuant to Section 4.4, then, Seller shall provide Buyer with Designated RA Capacity from one or more Replacement Units pursuant to Section 4.5 hereof. If Seller fails to provide Buyer with replacement Designated RA Capacity from Replacement Units pursuant to Section 4.5, then Seller shall be liable for damages and/or required to indemnify Buyer for penalties or fines pursuant to the terms of Sections 4.7 and 4.8 hereof.

ARTICLE 4. DELIVERY AND PAYMENT

4.1 Delivery Period

The Delivery Period shall be: [REDACTED].

4.2 Delivery Point

The Delivery Point for each Unit shall be the CAISO Control Area, and if applicable, the LAR region in which the Unit is electrically interconnected.

4.3 Contract Quantity

The Contract Quantity for each Monthly Delivery Period shall be:

Contract Quantity Table

Contract Month / Year	Contract Quantity (MWs)
[REDACTED]	[REDACTED]

4.4 Adjustments to Contract Quantity

- (a) **Planned Outages**: If Seller is unable to provide the applicable Contract Quantity for all or a portion of a Showing Month due to a Planned Outage of a Unit, then Seller shall have the option, but not the obligation, upon written notice to Buyer by the Notification Deadline, to either (a) reduce the Contract Quantity in accordance with the Planned Outage for such portion of the Showing Month; or (b) provide Alternate Capacity up to the Contract Quantity for the applicable portion of such Showing Month.

- (b) **Reductions in Unit NQC:** If the Product is both (i) Generic RA Product, and (ii) Contingent Firm RA Product, then Seller's obligation to deliver the applicable Contract Quantity for any Showing Month may also be reduced by Seller if the Unit experiences a reduction in Unit NQC as determined by the CAISO. If the Unit experiences such a reduction in Unit NQC then Seller has the option, but not the obligation, upon written notice to Buyer by the Notification Deadline, to provide the applicable Contract Quantity for such Showing Month from (i) the same Unit, provided the Unit has sufficient remaining and available Product, and/or (ii) from Replacement Units, provided, that in each case Seller provides and identifies such Replacement Units in accordance with Section 4.5.
- (c) If Product is both (i) Flexible RA Product specified under Section 3.2, and (ii) Contingent Firm RA Product specified under Section 3.3, then Seller's obligation to deliver the applicable Contract Quantity for any Showing Month may also be reduced if the Unit experiences a reduction in Unit EFC or Unit NQC as determined by the CAISO. If the Unit experiences such a reduction in Unit EFC or Unit NQC, then Seller has the option, but not the obligation, to provide the applicable Contract Quantity for such Showing Month from (i) the same Unit, provided the Unit has sufficient remaining and available Product and/or (ii) Alternate Capacity up to the Contract Quantity.

4.5 Alternative Capacity and Replacement Units

- (a) If Seller elects or is unable to provide the full Contract Quantity for any Showing Month for any reason, including, without limitation, due to one of the reasons specified in Section 4.4, or Seller desires to provide the Contract Quantity for any Showing Month from a different generating unit other than the Unit, then Seller, at no additional cost to Buyer, may provide Buyer with Alternate Capacity from one or more Replacement Units, with the total amount of Product provided to Buyer from the Unit and Replacement Units up to an amount equal to the Contract Quantity for the applicable Showing Month; provided that in each case, Seller shall notify Buyer in writing of such Replacement Units no later than the Notification Deadline. If Seller notifies Buyer in writing as to the particular Replacement Units and such Units meet the requirements of this Section 4.5, then such Replacement Units shall be automatically deemed a Unit for purposes of this Confirmation for the remaining portion of that Showing Month. that Showing Month and Seller shall not be liable to Buyer or any other party for damages, including any cover costs, and/or required to indemnify Buyer for costs, penalties or fines pursuant to the terms of Sections 4.7 and 4.8 hereof if and only if Seller has provided Buyer with timely notice pursuant to this Section 4.5(a) of Seller's intent not to provide Alternate Capacity in an amount equal to the Contract Quantity of that Showing Month.
- (b) If Seller is unable to provide the full Contract Quantity for any Showing Month for any reason, including, without limitation, due to one of the reasons specified in Section 4.4 and Seller does not provide Alternate Capacity in an amount equal to that which allows Seller to provide the full Contract Quantity for that Showing Month, then Buyer may, but shall not be required to, purchase Replacement Capacity.

4.6 Delivery of Product

Seller shall provide Buyer with the Designated RA Capacity of Product for each Showing Month consistent with the following:

Seller shall, on a timely basis, submit, or cause the Unit's Scheduling Coordinator to submit, Supply Plans to identify and confirm the Designated RA Capacity provided to Buyer for each Showing Month so that the total amount of Designated RA Capacity identified and confirmed for such Showing Month equals the Designated RA Capacity, unless specifically requested not to do so by Buyer.

4.7 Damages for Failure to Provide Designated RA Capacity

If Seller fails to provide Buyer with the Designated RA Capacity of Product for any Showing Month, and such failure is not excused under the terms of the Confirmation, then the following shall apply:

- (a) Buyer may, but shall not be required to, replace any portion of the Designated RA Capacity not provided by Seller with capacity having equivalent RA Attributes, LAR Attributes and/or FCR Attributes as the Designated RA Capacity not provided by Seller; provided, however, that if any portion of the Designated RA Capacity that Buyer is seeking to replace is Designated RA Capacity having solely RAR Attributes and no LAR Attributes or FCR Attributes, and no such RA Capacity is available, then Buyer may replace such portion of the Designated RA Capacity with capacity having any applicable FCR Attributes and/or LAR Attributes ("Replacement Capacity"). Buyer may enter into purchase transactions with one or more parties to replace any portion of Designated RA Capacity not provided by Seller so long as such transactions are done at prevailing market prices. Additionally, Buyer may enter into one or more arrangements to repurchase its obligation to sell and deliver capacity to another party, and, to the extent such transactions are done at prevailing market prices, such arrangements shall be considered equivalent to the procurement of Replacement Capacity. Buyer shall use commercially reasonable efforts to minimize damages when procuring any Replacement Capacity.
- (b) Seller shall pay to Buyer an amount equal to the positive difference, if any, between (i) the sum of (A) the Replacement Capacity times the Capacity Replacement Price, and (B) the Designated RA Capacity not provided by Seller (less any Replacement Capacity) times the Capacity Replacement Price; and (ii) the Designated RA Capacity not provided by Seller times the Contract Price for that month. If Seller fails to pay these damages, then Buyer may in addition to any other remedies that may be available to Buyer, offset those damages owed it against any future amounts it may owe to Seller under this Confirmation pursuant to Article 6 of the Master Agreement. Seller will not be in breach of this Confirmation for any failure to provide any Designated RA Capacity so long as Seller complies with the provisions of this Section 4.7.

4.8 Indemnities for Failure to Deliver Contract Quantity

Subject to any adjustments made pursuant to Section 4.4, Seller agrees to indemnify, defend and hold harmless Buyer from any penalties, fines or costs assessed against Buyer by the CPUC or the CAISO, resulting from any of the following:

- (a) Seller's failure to provide any portion of the Designated RA Capacity if such failure is not excused under the terms of the Product or by Buyer's failure to perform;
- (b) Seller's failure to provide notice of the non-availability of any portion of Designated RA Capacity as required under Sections 4.5; or
- (c) A Unit Scheduling Coordinator's failure to timely submit accurate Supply Plans that identify Buyer's right to the Designated RA Capacity purchased hereunder.

With respect to the foregoing, the Parties shall use commercially reasonable efforts to minimize such penalties, fines and costs; provided, that in no event shall Buyer be required to use or change its utilization of its owned or controlled assets or market positions to minimize these penalties and fines. If Seller fails to pay the foregoing penalties, fines or costs, or fails to reimburse Buyer for those penalties, fines or costs, then Buyer may, in addition to any other remedies that may be available to Buyer, offset those penalties, fines or costs against any future amounts it may owe to Seller under this Confirmation.

4.9 RA Capacity Payment

In accordance with the terms of Article 6 of the Master Agreement, Buyer shall make an RA Capacity Payment to Seller for each Unit, in arrears, after the applicable Showing Month. The RA Capacity Payment shall be equal to the sum for each day during the Showing Month of the product of (a) the applicable Contract Price for such Showing Month, multiplied by (b) the Designated RA Capacity for the Monthly Delivery Period, multiplied by (c) 1,000. The final product of this RA Capacity Payment calculation shall be rounded to the nearest penny (i.e., two decimal places); provided, however, that the Monthly RA Capacity Payment shall be prorated to reflect any portion of Designated RA Capacity that was not delivered pursuant to Section 4.4 at the time of the CAISO filing for the respective Showing Month.

RA Capacity Price Table

Contract Month / Year	Contract Price
██████████	██████████

4.10 Allocation of Other Payments and Costs

Seller shall be entitled to receive and retain all revenues that Buyer is not expressly entitled to receive pursuant to this Agreement, including all revenues that Seller may receive from the CAISO or any other third party with respect to any Unit for (a) start-up, shut-down, and minimum load costs, (b) revenue for ancillary services, (c) energy sales, (d) any revenues for black start or reactive power services, or (e) the sale of the unit-contingent call rights on the generation capacity of the Unit to provide energy to a third party, so long as such rights do not confer on such third party the right to claim any portion of the RA Capacity sold hereunder in order to make an RAR Showing, LAR Showing, FCR Showing, or any similar capacity or resource adequacy showing with the CAISO or CPUC. Buyer acknowledges and agrees that all Availability Incentive Payments are for the benefit of Seller and for Seller's account, and that Seller shall receive, retain, or be entitled to receive all credits, payments, and revenues, if any, resulting from Seller achieving or exceeding Availability Standards. The Parties acknowledge and agree that any Non-Availability Charges are the responsibility of Seller, and for Seller's account and Seller shall be responsible for all fees, charges, or penalties, if any, resulting from Seller failing to achieve Availability Standards. If a centralized capacity market develops within the CAISO region, Buyer will have exclusive rights to offer, bid, or otherwise submit Designated RA Capacity provided to Buyer pursuant to this Confirmation for re-sale in such market, and retain and receive any and all related revenues.

ARTICLE 5. CAISO OFFER REQUIREMENTS

During the Delivery Period, except to the extent any Unit is in an Outage, or is affected by an event of Force Majeure that results in a partial or full outage of that Unit, Seller is responsible for either scheduling or causing the Unit's Scheduling Coordinator to schedule with, or make available to, the CAISO each Unit's Designated RA Capacity in compliance with the Tariff, and performing, or causing the Unit's Scheduling Coordinator, owner, or operator, as applicable, to perform all obligations under the Tariff that are associated with the sale of Designated RA Capacity hereunder. Buyer shall have no liability for the failure of Seller or the failure of any Unit's Scheduling Coordinator, owner, or operator to comply with such Tariff provisions, including any penalties or fines imposed on Seller or the Unit's Scheduling Coordinator, owner, or operator for such noncompliance.

ARTICLE 6. CHANGE IN LAW

If any statutes, rules, regulations, permits or authorizations are enacted, amended, granted or revoked which have the effect of changing the transfer and sale procedure for Product set forth in this Confirmation so that the implementation of this Confirmation becomes impossible or impracticable, or if a new product that is a derivative of the Product(s) contracted for herein is created, the Parties hereto agree to negotiate in good faith to amend this Confirmation, to conform with such new statutes, regulations, or rules in order to maintain the original intent of the Parties under this Confirmation or to provide Buyer with Product pursuant to another program if possible; provided, however, that neither Party shall be obligated to enter into any such amendment except in its sole discretion.

ARTICLE 7. OTHER BUYER AND SELLER COVENANTS**7.1 Further Assurances**

Buyer and Seller shall, throughout the Delivery Period, take all commercially reasonable actions and execute any and all documents or instruments reasonably necessary to ensure Buyer's right to the use of

the Contract Quantity for the sole benefit of Buyer's applicable RAR, LAR and/or FCR, as applicable, including, without limitation:

- (a) Cooperating with and providing, and in the case of Seller causing each Unit's Scheduling Coordinator, owner, or operator to cooperate with and provide requested supporting documentation to the CAISO, the CPUC, or any other Governmental Body responsible for administering RAR, LAR, and/or FCR under Applicable Laws, to certify or qualify the Contract Quantity as RA Capacity and Designated RA Capacity. Such actions shall include, without limitation, providing information requested by the CAISO, CPUC, or by an LRA having jurisdiction, to demonstrate for each month of the Delivery Period the ability to deliver the Contract Quantity from each Unit to the CAISO Controlled Grid for the minimum hours required to qualify as RA Capacity, and providing information requested by the CPUC, the CAISO or other Governmental Body having jurisdiction to administer the applicable RAR, LAR and FCR to demonstrate that the Contract Quantity can be delivered to the CAISO Controlled Grid pursuant to the "deliverability" standards established by the CAISO or other Governmental Body having jurisdiction to administer RAR, LAR and/or FCR; and
- (b) Negotiating in good faith to make necessary amendments, if any, to this Confirmation, which remain subject to agreement of such Parties, in each Party's sole discretion, to conform this Transaction to subsequent clarifications, revisions, or decisions rendered by the CPUC, FERC, or other Governmental Body having jurisdiction to administer the applicable RAR or FCR so as to maintain the purpose and intent of the Transaction agreed to by the Parties on the Confirmation Effective Date.

7.2 Seller Representations and Warranties

Seller represents, warrants and covenants to Buyer that, throughout the Delivery Period:

- (a) Seller owns or has the exclusive right to the RA Capacity sold under this Confirmation from each Unit, and shall furnish Buyer, the CAISO, CPUC, or other jurisdictional LRA or other Governmental Body with such evidence as may reasonably be requested to demonstrate such ownership or exclusive right;
- (b) No portion of the Contract Quantity has been committed by Seller to any third party in order to satisfy RAR, LAR, FCR or analogous obligations in CAISO markets, other than pursuant to an RMR Agreement between the CAISO and either Seller or the Unit's owner or operator;
- (c) No portion of the Contract Quantity has been committed by Seller in order to satisfy RAR, LAR, FCR, or analogous obligations in any non-CAISO market;
- (d) Each Unit is connected to the CAISO Controlled Grid, is within the CAISO Control Area, or is under the control of CAISO;
- (e) The owner or operator of each Unit is obligated to comply with Applicable Laws, including the Tariff, relating to RA Capacity, RAR, LAR and FCR;
- (f) If Seller is the owner of any Unit, the cumulative amounts of LAR Attributes, RAR Attributes and FCR Attributes that Seller has sold, assigned or transferred for any Unit does not exceed that Unit's RA Capacity;
- (g) With respect to the RA Capacity provided under this Confirmation, Seller shall, and each Unit's Scheduling Coordinator is obligated to, comply with Applicable Laws, including the Tariff, relating to RA Capacity, RAR, LAR and FCR;
- (h) Seller has notified the Scheduling Coordinator of each Unit that Seller has transferred the Designated RA Capacity to Buyer, and the Scheduling Coordinator is obligated to deliver the Supply Plans in accordance with the Tariff;
- (i) Seller has notified the Scheduling Coordinator of each Unit that Seller is obligated to cause each Unit's Scheduling Coordinator to provide to Buyer, no later than the Notification

Deadline, of the Designated RA Capacity of each Unit that is to be submitted in the Supply Plan associated with this Agreement for the applicable period; and

- (j) Seller has notified each Unit's Scheduling Coordinator that Buyer is entitled to the revenues set forth in Section 4.10 of this Confirmation, and such Scheduling Coordinator is obligated to promptly deliver those revenues to Buyer, along with appropriate documentation supporting the amount of those revenues.

ARTICLE 8. CONFIDENTIALITY

Notwithstanding any agreement or obligation of confidentiality or non-disclosure between Buyer and Seller, the Parties agree that Buyer may disclose the Designated RA Capacity under this Transaction to any Governmental Body, the CPUC, the CAISO or any LRA having jurisdiction in order to support its LAR Showings, RAR Showings and/or FCR Showings, as applicable, and Seller may disclose the transfer of the Designated RA Capacity under this Transaction to the SC of each Unit in order for such SC to timely submit accurate Supply Plans. In addition, If Buyer becomes legally compelled (by interrogatories, requests for information or documents, subpoenas, summons, civil investigative demands, or similar processes or otherwise in connection with any litigation or to comply with any applicable law, order, regulation, ruling, regulatory request, accounting disclosure rule or standard or any exchange, control area or independent system operator rule, or a request to Buyer under the California Public Records Act (California Government Code Section 6250 et seq.)) to disclose any confidential information of Seller, Buyer may do so after providing Seller with prompt notice so that Seller, at its sole expense, may seek an appropriate protective order or other appropriate remedy against disclosure. Notwithstanding anything to the contrary in Section 10.11 of the Master Agreement, Buyer may make portions of this Confirmation available to the public as part of Buyer's process of seeking approval from its Board of Directors for this Transaction.

ARTICLE 9. BUYER'S RE-SALE OF PRODUCT

Buyer may re-sell all or a portion of the Product hereunder. In the event of any such re-sale, Seller shall cause its Scheduling Coordinator to cooperate reasonably with Buyer and Buyer's transferee (and their respective Scheduling Coordinators) to allow such transferee to utilize the re-sold Product.

ARTICLE 10. MARKET BASED RATE AUTHORITY

Upon Buyer's written request, Seller shall, in accordance with Federal Energy Regulatory Commission (FERC) Order No. 697, submit a letter of concurrence in support of any affirmative statement by Buyer that this contractual arrangement does not transfer "ownership or control of generation capacity" from Seller to Buyer as the term "ownership or control of generation capacity" is used in 18 CFR Section 35.42. Seller shall not, in filings, if any, made subject to Order Nos. 652 and 697, claim that this contractual arrangement conveys ownership or control of generation capacity from Seller to Buyer.

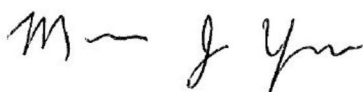
ARTICLE 11. COLLATERAL REQUIREMENTS

The Parties further agree that for the purposes of calculating the Collateral Requirement pursuant to Paragraph 3 of the Collateral Annex, the Current Mark-to-Market Value for this Transaction is deemed to be zero.

ACKNOWLEDGED AND AGREED TO AS OF THE CONFIRMATION EFFECTIVE DATE.

SHELL ENERGY NORTH AMERICA (US), L.P.

SILICON VALLEY CLEAN ENERGY AUTHORITY

By: 

Name: Michael J. Yen

Title: Confirmations – Team Lead

Date: April 1, 2024

By: 

Name: Monica Padilla

Title: CEO

Date: 3/29/2024

Bilateral Import Capability Transfer (SVCE Sells)

CONFIRMATION LETTER
BETWEEN
SILICON VALLEY CLEAN
ENERGY

AND
DYNASTY POWER, INC.

This Confirmation Letter including all appendices hereto (“Confirmation”) confirms the transaction between Dynasty Power Inc., an Alberta corporation (“Buyer”), and Silicon Valley Clean Energy, a joint powers authority (“Seller”), each individually a “Party” and together the “Parties”, dated as of March 22, 2024 (the “Confirmation Effective Date”) in which Seller agrees to provide to Buyer the right to the Product, as such term is defined in this Confirmation, in the amounts described in this Confirmation (the “Transaction”). This Transaction is governed the Western Systems Power Pool Agreement effective as of September 11, 2023, as amended from time to time, but not including any Exhibit or Service Schedule thereto unless and to the extent that such Exhibit or Service Schedule is expressly incorporated herein (collectively, the “Master Agreement”). The Master Agreement and this Confirmation shall be collectively referred to herein as the “Agreement”. Capitalized terms used but not otherwise defined in this Confirmation have the meanings described to them in the Master Agreement or, if not defined in the Master Agreement, in the CAISO Tariff. To the extent this Confirmation is inconsistent with any provision of the Master Agreement, this Confirmation shall govern the rights and obligations of the Parties hereunder.

ARTICLE 1. TRANSACTION TERMS

1.1 Product

Existing Contract Import Capability

1.2 Delivery of Product

Seller shall sell and deliver to Buyer, and Buyer shall receive and purchase from Seller, the Product at the Delivery Point in the amount of the applicable Contract Quantity for each day of each month of the Delivery Period.

1.3 Delivery Period and Term

- (a) Delivery Period. The Delivery Period shall be [REDACTED] inclusive, unless terminated earlier in accordance with the terms of this Agreement.
- (b) Term. The Term of this Transaction shall commence upon the Confirmation Effective Date and shall continue until the later of (i) the expiration of the Delivery Period or (ii) the date the Parties’ obligations under this Confirmation have been satisfied. This Confirmation shall be effective and

Bilateral Import Capability Transfer (SVCE Sells)

binding as of the Confirmation Effective Date.

1.4 Delivery Point

The Delivery Point shall be the CAISO Branch Group corresponding to the CAISO Intertie [REDACTED]

1.5 Contract Quantity

The Contract Quantity for each day of each applicable Contract Month is as follows:

Contract Quantity (MWs for each day of such Contract Month)

Month, Year	Contract Quantity (MWs)
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

1.6 Contract Price

The Contract Price means, for any Contract Month, the price specified in the Contract Price table as set forth below.

CONTRACT PRICE TABLE

Month, Year	Contract Price (\$/kW-month)
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

ARTICLE 2. DELIVERY OBLIGATIONS

2.1 Delivery of Product

Within three (3) Business Days after the date that Seller receives the One-Time Payment from Buyer, Seller shall register the Bilateral Import Capability Transfer of the Product in the amount of the Contract Quantity at the Delivery Point in CAISO’s CIRA Tool(or successor platform)(the “Registration”). Seller shall complete promptly such other actions required by the CAISO to effect such transfer. As soon as reasonably practicable thereafter, but no later than three (3) Business Days from Registration, Buyer shall accept and confirm Seller’s Registration in CAISO’s CIRA Tool and will then communicate to Seller whether the Bilateral Import Capability Transfer from Seller to Buyer of the Product in the amount of the Contract Quantity at the Delivery Point was successful or unsuccessful (a successful transfer, the “Transfer Completion Email”). If the Bilateral Import Capability Transfer from Seller to Buyer of the Product in the amount of the Contract Quantity at the Delivery Point is unsuccessful, the Parties shall begin the

Bilateral Import Capability Transfer (SVCE Sells)

Registration process set forth in this Section 2.1 again, until the Parties receive a Transfer Completion Email.

2.2 **Buyer's Re-Sale of Product**

Buyer may re-sell, at its sole cost and expense, all or a portion of the Product acquired under this Confirmation.

ARTICLE 3. PAYMENT

3.1 **One-Time Payment**

Buyer shall make a payment (“One-Time Payment”) to Seller no later than (10) Business Days after the date an invoice is received. Seller shall provide Buyer the invoice for the One-Time Payment no later than seven (7) Business Days from the Confirmation Effective Date.

The One-Time Payment shall be calculated as follows:

$$\text{One-Time Payment} = \sum^n_i (A_i \times B_i \times 1000)$$

where:

A = Contract Price (in \$/kW-month) for Contract Month *i*

B = Contract Quantity *i* (in MW) transferred by Seller for Contract Month *i*

i = Each Contract Month

n = number Contract Months

The payment calculation shall be rounded to two decimal places. For illustrative purposes, and assuming Seller delivers the full Contract Quantity, the One-Time Payment [REDACTED]

3.2 **Offset Rights**

Either Party may offset any amounts owing to it for revenues, penalties, fines, costs reimbursement, or other payments pursuant to Section 9 of the Master Agreement against any future amounts it may owe to the other Party under this Confirmation.

ARTICLE 4. CONFIDENTIALITY

- (a) Both Parties may disclose the terms and conditions of this Agreement and any and all written or recorded or oral information, data, analyses, documents, and materials furnished or made available by a Party to the other Party in connection with this Agreement to the CAISO, the CPUC,

Bilateral Import Capability Transfer (SVCE Sells)

and all divisions thereof, the CEC, and any Governmental Authority; provided, that each disclosing Party shall use reasonable efforts to limit, to the extent possible, the information disclosed and the ability of any such applicable Governmental Authority or the CAISO to further disclose such information;

- (b) Both Parties may disclose the terms of this Confirmation to the CAISO, as necessary, to effectuate Seller's performance and the transfer of the Product and the Parties acknowledge that the CAISO may publicly disclose the transfer of the Product from Seller to Buyer in accordance with the CAISO Tariff promptly following Seller's performance;
- (c) In the event Buyer resells all or any portion of the Product, Buyer shall be permitted to disclose to the other party to such resale transaction all such information necessary to effect such resale transaction, other than the Contract Price; and
- (d) Each Party recognizes that this Confirmation is subject to the requirements of the California Public Records Act (Government Code Section 6250 et seq.); and, in the event of a public records requests pursuant to this act or any other applicable law, either party may disclose this Confirmation and such disclosure shall not be a violation of this Article 4; provided, that each disclosing Party shall first provide notice of its intended disclosure and cooperate reasonably with the other party in such other party's efforts to maintain the confidentiality of this Confirmation or its contents.

ARTICLE 5. GENERAL PROVISIONS**5.1 Governing Law**

Notwithstanding Section 24 of the Master Agreement, this Transaction and the rights and duties of the Parties hereunder shall be governed by and construed, enforced and performed in accordance with the laws of the state of California, without regard to principles of conflicts of law.

5.2 Collateral/Credit Requirements

Notwithstanding any provision in the Master Agreement to the contrary, including Section 27, neither Party shall be required to post collateral or other security for this Transaction.

5.3 No Recourse to Members of Buyer and Seller

Seller is organized as a Joint Powers Authority in accordance with the Joint Exercise of Powers Act of the State of California (Government Code Section 6500, et seq.) and is a public entity separate from its constituent members. Seller will solely be responsible for all of its debts, obligations and liabilities accruing and arising out of

Bilateral Import Capability Transfer (SVCE Sells)

this Confirmation. Neither Buyer no Seller will have any rights and shall not make any claims, take any actions or assert any remedies against any of the other party's constituent members, or the officers, directors, advisors, contractors, consultants or employees of such other party or such other party's constituent members, in connection with this Confirmation.

5.4 Counterparts

This Confirmation may be signed in any number of counterparts with the same effect as if the signatures to the counterparts were upon a single instrument. The Parties may rely on electronic, facsimile or scanned signatures as originals under this Confirmation. Delivery of an executed signature page of this Confirmation by facsimile or electronic mail transmission (including PDF) shall be the same as delivery of a manually executed signature page.

5.5 Entire Agreement; No Oral Agreements or Modifications

This Confirmation sets forth the terms of the Transaction into which the Parties have entered and shall constitute the entire agreement between the Parties relating to the contemplated purchase and sale of the Product. Notwithstanding any other provision of the Agreement, no amendment or modification to this Transaction shall be enforceable except through a Documentary Writing executed by both Parties.

[Signature page follows]

Bilateral Import Capability Transfer (SVCE Sells)

In WITNESS WHEREOF, the Parties have caused this Confirmation to be duly executed as of the Confirmation Effective Date:

DYNASTY POWER INC., an
Alberta corporation

**SILICON VALLEY CLEAN
ENERGY,** a
California joint powers authority

By: *Aisha Khan*

Name: Aisha Khan

Title: Manager, Settlements

3/28/2024

DocuSigned by:
Monica Padilla
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By:

Name: Monica Padilla

Title: CEO

4/3/2024

*Bilateral Import Capability Transfer (SVCE Sells)***APPENDIX A****DEFINED TERMS**

“Agreement” has the meaning specified in the introductory paragraph of this Confirmation.

“Bilateral Import Capability Transfer” is the transfer of Existing Contract Import Capability from one Market Participant (as defined in the CAISO Tariff) to another, as described in the CAISO Tariff.

“Branch Group” means the branch group name used by the CAISO to represent the location of an Intertie with a Maximum Import Capability.

“Buyer” has the meaning specified in the introductory paragraph of this Confirmation and shall have the same meaning as “Purchaser” under the Master Agreement.

“CAISO” means the California Independent System Operator Corporation, or any successor entity performing the same functions.

“CAISO Tariff” means the California Independent System Operator Corporation Tariff, Business Practice Manuals (BPMs), Operating Agreements, and Operating Procedures, including the rules, protocols, procedures and standards attached thereto, as the same may be amended or modified from time to time and approved by FERC, if applicable.

“CEC” means the California Energy Commission.

“Confirmation” has the meaning specified in the introductory paragraph of this Confirmation.

“Confirmation Effective Date” has the meaning specified in the introductory paragraph of this Confirmation.

“Contract Month” means the month during the Delivery Period as set forth in the Contract Quantity Table specified Section 1.5.

“Contract Price” has the meaning specified in Section 1.6.

“Contract Quantity” has the meaning specified in Section 1.5.

“CPUC” means the California Public Utilities Commission.

“Delivery Period” has the meaning specified in Section 1.3(a).

“Delivery Point” has the meaning specified in Section 1.4.

Bilateral Import Capability Transfer (SVCE Sells)

“Existing Contract Import Capability” has the meaning set forth in the CAISO Tariff.

“Governmental Authority” means any: (a) federal, state, local, municipal or other government; (b) governmental, regulatory or administrative agency, commission or other authority lawfully exercising or entitled to exercise any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power; and (c) court or governmental tribunal.

“Intertie” has the meaning set forth in the CAISO Tariff.

“Master Agreement” has the meaning specified in the introductory paragraph of this Confirmation.

“MW” means megawatt (or 1,000 kilowatts) of alternating current electric energy generating capacity.

“Product” has the meaning specified in Section 1.1.

“Registration” has the meaning specified in Section 2.1.

“Scheduling Point” has the meaning set forth in the CAISO Tariff.

“SC” has the meaning set forth in the CAISO Tariff.

“Seller” has the meaning specified in the introductory paragraph of this Confirmation.

“Term” has the meaning specified in Section 1.3(b).

“Transfer Completion Email” has the meaning specified in Section 2.1

EEI RESOURCE ADEQUACY CONFIRMATION

This confirmation (“Confirmation”) confirms the transaction between NRG Business Marketing LLC (“NBM”), (“Party A”) and Silicon Valley Clean Energy Authority (“Party B”), each individually a “Party” and together the “Parties”, dated as of March 22, 2024 (the “Effective Date”), by which Seller agrees to sell and deliver, and Buyer agrees to purchase and receive, the Product. This Transaction is governed by the Edison Electric Institute Master Power Purchase and Sale Agreement between the Parties dated November 28, 2016 as amended from time to time (the “Master Agreement”). The Master Agreement and this Confirmation, including any applicable appendices, exhibits or amendments hereto, shall be collectively referred to herein as the “Agreement” and shall constitute a single agreement between the Parties with respect to the Transaction. Capitalized terms not otherwise defined in this Confirmation or the Master Agreement are defined in the Tariff. References to Sections are references to Sections of this Confirmation unless stated to be references to Sections of the Master Agreement or a statute.

The terms of the Transaction to which this Confirmation relates are as follows:


Seller:	NRG Business Marketing LLC Ref No. 143454218	Buyer:	Silicon Valley Clean Energy Authority
Product:	<input checked="" type="checkbox"/> RAR <input type="checkbox"/> Local RAR <input checked="" type="checkbox"/> Flexible Capacity, as further described in Appendix B		
Contract Price (\$/kW-month):	██████████, as further described in Appendix B		
Contract Quantity (MW):	██████████ in for each month, as further described in Appendix B		
Delivery Period:	██████████ inclusive, as further described		
Unit Information:	Described in Appendix B		
Payment Terms:	20 th Day of the month following the Delivery Period, as further described in Article 3		

<p>This Confirmation is subject to the Appendices identified below and attached hereto:</p> <p>Appendix A – Defined Terms</p> <p>Appendix B – Product and Unit Information</p> <p>Appendix C – Notice Information</p> <p>Appendix D – Planned Outage Schedule</p>

IN WITNESS WHEREOF, the Parties have signed this Confirmation effective as of the Effective Date.


NRG Business Marketing LLC

Silicon Valley Clean Energy Authority

Sign:  _____

Print: Jay Robertson

Title: Director, West Commercial Operations

Sign: DocuSigned by:  _____
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Print: Monica Padilla

Title: CEO

ARTICLE 1
TRANSACTION TERMS

Product, Delivery Period, Contract Quantity, Contract Price and other specifics of the Product are described on page 1 of this Confirmation and in Appendix B. Appendices A, B, C, and D are incorporated into this Confirmation.

Firm RA Product:

Seller shall provide Buyer with the Product from the Unit in the amount of the Contract Quantity. If the Unit is not available to provide the full amount of the Contract Quantity for any reason, then Seller shall have the option to supply Alternate Capacity pursuant to Section 2.3 to fulfill the remainder of the Contract Quantity during such period. If Seller fails to provide Buyer with the Contract Quantity and has failed to supply Alternate Capacity to fulfill the remainder of the Contract Quantity during such period, then Seller shall be liable for damages and/or required to indemnify Buyer for penalties or fines pursuant to the terms of Section 2.5.

Contingent Firm RA Product:

Seller shall provide Buyer with the Product from the Unit in the amount of the Contract Quantity. If the Unit is not available to provide the full amount of the Contract Quantity as a result of any reduction of the Contract Quantity of the Unit in accordance with Section 2.2, Seller shall have the option to notify Buyer that either (a) Seller will not provide the portion of the Contract Quantity attributable to such reduction during the period of such non-availability; or (b) Seller will supply Alternate Capacity to fulfill the remainder of the Contract Quantity during such period pursuant to Section 2.3. If the Unit is not available to provide the full amount of the Contract Quantity as a result of any reason other than as provided in Section 2.2, then Seller shall have the option to supply Alternate Capacity pursuant to Section 2.3 to fulfill the remainder of the Contract Quantity during such period. If Seller fails to provide Buyer with the Expected Contract Quantity from the Unit and has failed to supply Alternate Capacity to fulfill the remainder of the Expected Contract Quantity during such period, then Seller shall be liable for damages and/or required to indemnify Buyer for penalties or fines pursuant to the terms of Section 2.5.

ARTICLE 2
DELIVERY OBLIGATIONS AND ADJUSTMENTS

2.1 Sale and Delivery of Product

- (a) For each day of the Delivery Period, Seller shall sell and deliver to Buyer, and Buyer shall purchase and receive from Seller, the Expected Contract Quantity of the Product from the Shown Unit(s). Seller's obligation to deliver the Expected Contract Quantity of Product for each day of the Delivery Period is firm and will not be excused for any reason.
- (b) Seller shall deliver the Expected Contract Quantity by submitting to CAISO in its Supply Plan the Shown Unit(s) and the characteristics of the Shown Unit(s) and

Product for Buyer, as further specified in Appendix B, all in compliance with this Confirmation.

- (c) Seller shall cause all Supply Plans to meet and be filed in conformance with the requirements of the CPUC and the Tariff. Seller shall submit, or cause the Shown Unit's SC to submit, on a timely basis with respect to each applicable day of the Delivery Period, Supply Plans in accordance with the Tariff and CPUC requirements to identify and confirm the Product delivered to Buyer for each day of the Delivery Period. The total amount of Product identified and confirmed for each day of the Delivery Period shall equal the Expected Contract Quantity.
- (d) Seller may sell and deliver Product from a Shown Unit that meets the requirements set forth in Appendix B. In no event shall a Shown Unit utilize coal or coal materials as a source of fuel or be a nuclear generating facility. A Shown Unit must be a specific resource that is connected directly to the CAISO controlled grid or be under the operational control of CAISO. A Shown Unit may not be an unspecified import. Seller shall identify the Shown Unit(s) and Expected Contract Quantity by providing Buyer with the specific information contemplated in Appendix B no later than the Notification Deadline for the Delivery Period.
- (e) If CAISO rejects either the Supply Plan or the Resource Adequacy Plan with respect to any part of the Expected Contract Quantity for the Shown Unit(s) in any day of the Delivery Period, the Parties shall confer, make such corrections as are necessary for acceptance, and resubmit the corrected Supply Plan or Resource Adequacy Plan for validation before the applicable deadline for the Delivery Period.
- (f) The Product is delivered and received when the CIRA Tool shows that the Supply Plan submitted in compliance with Buyer's instructions, including Buyer's instructions to withhold all or part of the Expected Contract Quantity from Seller's Supply Plan for any day of the Delivery Period during the Delivery Period, has been accepted for the Product from the Shown Unit(s) by CAISO. Seller has failed to deliver the Product if (i) Buyer has elected to submit the Product from the Shown Unit(s) in its Resource Adequacy Plan and such submission is accepted by the CPUC and the CAISO but the Supply Plan and Resource Adequacy Plan are not matched in the CIRA Tool and are rejected by CAISO notwithstanding performance of Section 2.1(e) or (ii) Seller fails to submit the volume of Expected Contract Quantity for any day of the Delivery Period in such amount as instructed by Buyer for the applicable day(s) of the Delivery Period. Seller shall not have failed to deliver the Expected Contract Quantity if Buyer fails or chooses not to submit the Shown Unit(s) and the Product in its Resource Adequacy Plan with the CPUC or CAISO.
- (g) The Shown Unit(s) must not have characteristics that would trigger the need for Buyer or Seller to file an advice letter or other request for authorization with the CPUC.

2.2 Adjustments to Contract Quantity

If Seller is providing Contingent Firm RA Product, Seller's obligation to deliver the Contract Quantity for each day of the Delivery Period may be reduced at Seller's option by the amount of any Planned Outages which exist with respect to any portion of the Unit during the applicable days of such Planned Outages; provided, (i) Seller notifies Buyer by the Notification Deadline applicable to that day of the Delivery Period of the amount of Product from the Unit that Buyer may include in Buyer's Compliance Showings for each day of that month as a result of such Planned Outage, and (ii) such reduction is able to be reflected on the Supply Plans in accordance with the Tariff.

In the event Seller is unable to provide the Contract Quantity for any portion of a Delivery Period because of a Planned Outage of a Unit, Seller has the option, but not the obligation, to provide Product for such portions of such Delivery Period from Replacement Units, provided Seller provides and identifies such Replacement Units in accordance with Section 2.3.

2.3 Seller's Option To Provide Alternate Capacity

If Seller is unable to provide the full Contract Quantity for each day of each Delivery Period for any reason, including, without limitation, as provided in Section 2.2, or Seller desires to provide a portion of the Contract Quantity for any day of a Delivery Period from a different generating unit other than the Unit, then Seller may, at no cost to Buyer, provide Buyer with replacement Product from one or more Replacement Units in an amount such that the total amount of Product provided to Buyer from the Unit and any Replacement Unit(s) for each day of the Delivery Period is not more than the Contract Quantity, provided that in each case:

- (a) Seller shall notify Buyer in writing of its intent to provide Alternate Capacity and shall identify the Replacement Unit(s) from which such Alternate Capacity shall be provided before the Notification Deadline for such Delivery Period; and
- (b) The designation of any Replacement Unit(s) by Seller shall be subject to Buyer's prior written approval, which shall not be unreasonably withheld.

Once Seller has identified in writing any Replacement Units that meet the requirements of this Section 2.3, and Buyer has approved such Replacement Units as consistent with this Confirmation, then any such Replacement Units shall be deemed a Unit for purposes of this Confirmation for that Delivery Period. Buyer's approval of a Replacement Unit as to a given Delivery Period shall not be construed as approval of such Replacement Unit for any subsequent Delivery Period.

2.4 Planned Outages

As of the Confirmation Effective Date, Seller and Buyer have agreed to all Planned Outages as specified in Appendix D ("Planned Outage Schedule") for all relevant Delivery Periods for the following calendar year, or until the end of the Delivery Period, whichever is shorter. Seller may provide Buyer with proposed changes to the Planned Outage Schedule from time to time. Within ten (10) Business Days after Buyer's receipt of any such Seller proposed changes, Buyer shall notify Seller in writing of reasonable requests for modifications to such Seller proposed changes,

and Seller shall, to the extent consistent with Prudent Operating Practice, accommodate Buyer's requests regarding the timing of any Seller proposed changes to the Planned Outage Schedule.

2.5 Buyer's Remedies for Seller's Failure to Deliver Expected Contract Quantity

- (a) If Seller fails to deliver any part of the Expected Contract Quantity as required herein for any day of the Delivery Period, Seller shall be liable for damages pursuant to Section 4.1 of the Master Agreement.
- (b) Seller shall indemnify, defend and hold harmless Buyer from any penalties, fines or costs, including Environmental Costs, assessed against Buyer by the CPUC, CAISO or other Governmental Body resulting from Seller's failure to deliver the Product or a Shown Unit's SC's failure to timely or accurately submit Supply Plans in accordance with the Tariff and this Confirmation. The Parties shall use commercially reasonable efforts to minimize such penalties, fines or costs; provided, that in no event shall Buyer be required to use or change its utilization of its owned or controlled assets or market positions to minimize these penalties, fines or costs. If Seller fails to pay the foregoing penalties, fines or costs, or fails to reimburse Buyer for those penalties, fines or costs, then, without prejudice to its other rights and remedies, Buyer may setoff and recoup those penalties, fines or costs against any future amounts it may owe to Seller under this Confirmation or the Master Agreement.

2.6 Buyer's Re-Sale of Product

- (a) Buyer may re-sell all or part of the Product; provided that any such re-sale must not increase Seller's obligations hereunder other than as set forth in this Section 2.6. For any such a resale, the Resource Adequacy Plan of Buyer as used herein will refer to the Resource Adequacy Plan of Subsequent Buyer. Seller shall, or shall cause the Shown Unit's SC, to follow Buyer's instructions with respect to providing such resold Product to Subsequent Buyers, to the extent such instructions are consistent with Seller's obligations under this Confirmation. Seller shall, and shall cause the Shown Unit's SC, to take all commercially reasonable actions and execute all documents or instruments reasonably necessary to allow such Subsequent Buyers to use such resold Product in a manner consistent with Buyer's rights under this Confirmation. If Buyer incurs any liability to a Subsequent Buyer due to the failure of Seller or the Shown Unit's SC to comply with this Confirmation, Seller shall be liable to Buyer for the same amounts Seller would have owed Buyer under this Confirmation if Buyer had not resold the Product.
- (b) Buyer shall notify Seller in writing of any resale of Product and the Subsequent Buyer no later than two (2) Business Days before the Notification Deadline for each Delivery Period for which Buyer has resold Product. Buyer shall notify Seller of any subsequent changes or further resales no later than two (2) Business Days before the Notification Deadline for the Delivery Period.

- (c) If CAISO or CPUC develops a centralized capacity market, Buyer shall have the exclusive right to direct the Seller or the Unit's SC to offer, bid, or otherwise submit the Expected Contract Quantity for re-sale into such market, and Seller and the Unit's SC shall comply with the Buyer's direction and Buyer shall retain and receive all revenues from such re-sale.
- (d) Buyer shall have the exclusive right to direct the Seller or the Unit's SC to offer, bid, or otherwise submit the Expected Contract Quantity into the CAISO Competitive Solicitation Process (CSP) for CPM Capacity. Seller and the Unit's SC shall comply with the Buyer's direction and, to the extent that the CAISO designates the Expected Contract Quantity as CPM Capacity, Buyer shall be entitled to retain and receive the CPM Capacity Payment. Unless otherwise instructed by Buyer, (i) Seller shall not, and shall cause the Unit's SC to not, offer any portion of the Expected Contract Quantity to CAISO as CPM Capacity and (ii) if CAISO designates any portion of the Contract Capacity as CPM Capacity, then Seller shall, and shall cause the Unit's SC to, promptly (and in any event within one (1) Business Day of the time Seller receives notification from CAISO) notify Buyer of such designation, and if CAISO makes such a designation, Seller shall not, and shall cause the Unit's SC to not, accept any such designation by CAISO unless and until Buyer has agreed to accept such designation.
- (e) Notwithstanding any provisions herein, Buyer shall not re-sell the Product outside the CAISO.

ARTICLE 3 **PAYMENTS**

3.1 Payment

After Seller has delivered the Expected Contract Quantity in accordance with Section 2.1 and issued its invoice, Buyer shall pay for the Product as provided in Article Six of the Master Agreement and this Confirmation. Buyer shall make a monthly payment to Seller for each Unit by the later of (i) ten (10) Calendar Days after Buyer's receipt of Seller's invoice or (ii) the twentieth (20th) day of the month after the Delivery Period; provided, however, if such day is not a Business Day then payment shall be made by the following Business Day ("RA Capacity Payment"). Each Unit's RA Capacity Payment shall be equal to the product of (a) the applicable Contract Price for the relevant day of the Delivery Period, (b) the Expected Contract Quantity for the day of the Delivery Period, and (c) 1,000, rounded to the nearest penny (i.e., two decimal places); provided, however, that the RA Capacity Payment shall be adjusted to reflect any portion of Expected Contract Quantity for the Delivery Period that was not delivered in accordance with Section 2.1 for such Showing Month.

3.2 Allocation of Other Payments and Costs

- (a) Seller shall receive any revenues from, and must pay all costs charged by, CAISO or any other third party with respect to the Shown Unit(s) for (i) start-up, shutdown, and minimum load costs, (ii) capacity for ancillary services, (iii) energy sales, (iv) flexible ramping product, or (v) black start or reactive power services. Buyer must

promptly report receipt of any such revenues to Seller. Buyer must pay to Seller any such amounts described in this Section 3.2(a) received by Buyer or a Subsequent Buyer. Without prejudice to its other rights and remedies, Seller may setoff and recoup any such amounts that are not paid to it pursuant to this Section 3.2(a) against any amounts owed to Buyer under the Master Agreement.

- (b) Buyer is to receive and retain all revenues associated with the Expected Contract Quantity of Product during the Delivery Period, including any capacity and availability revenues from the Capacity Procurement Mechanism, or its successor, RUC Availability Payments, or its successor, but excluding payments described in Section 3.2(a)(i)-(v) or 3.2(d). Seller shall promptly report receipt of any such revenues to Buyer. Seller shall pay to Buyer within thirty (30) days of receipt any such amounts received by Seller, or a Shown Unit's SC, owner, or operator. Without prejudice to its other rights, Buyer may set off and recoup any such amounts that are not paid to it against amounts owed to Seller under the Master Agreement.
- (c) Any Availability Incentive Payments or Non-Availability Charges are for Seller to receive and pay.

ARTICLE 4

OTHER BUYER AND SELLER COVENANTS

4.1 CAISO Requirements

Seller shall schedule or cause the Shown Unit's SC to schedule or make available to CAISO the Expected Contract Quantity of the Product during the Delivery Period in compliance with the Tariff and perform all, or cause the Shown Unit's SC, owner, or operator to perform all, obligations under applicable law and the Tariff relating to the Product. Buyer is not liable for, and Seller shall indemnify and hold Buyer harmless from, the failure of Seller or the Shown Unit's SC, owner, or operator to comply with the Tariff, and for any penalties, fines or costs imposed on Seller or the Shown Unit's SC, owner, or operator for noncompliance.

4.2 Seller's and Buyer's Duties to Take Actions to Allow Product Utilization

Throughout the Delivery Period, Buyer and Seller shall take all commercially reasonable actions and execute all documents or instruments reasonably necessary to ensure (a) Buyer's rights to the Expected Contract Quantity for the sole benefit of Buyer or any Subsequent Buyer, and (b) that Buyer may use the Expected Contract Quantity to meet its Compliance Obligations. Such commercially reasonable actions shall include, without limitation, cooperating with and providing, and causing each Shown Unit's SC, owner, or operator to cooperate with and provide, requested and supporting documentation to the CAISO, the CPUC, or any other Governmental Body responsible for administering the applicable Compliance Obligations, including to demonstrate that the Expected Contract Quantity can be delivered to the CAISO controlled grid for the minimum hours required to satisfy RAR pursuant to the "deliverability" standards established by the CAISO or other Governmental Body of competent jurisdiction.

If necessary, the Parties further agree to negotiate in good faith to amend this Confirmation to

conform this Transaction to subsequent clarifications, revisions, or decisions rendered by CAISO or an applicable Governmental Body to maintain the benefits of the Transaction.

4.3 Seller's Representations and Warranties

Seller represents and warrants to Buyer throughout the Delivery Period that:

- (a) No part of the Contract Quantity during the Delivery Period has been committed by Seller to any third party to satisfy Compliance Obligations or analogous obligations in any CAISO or non-CAISO markets;
- (b) The Shown Unit(s) qualify to provide the Product under the Tariff, and the Shown Unit(s) and Seller are capable of delivering the Product;
- (c) The aggregation of all amounts of Capacity Attributes that Seller has sold, assigned, or transferred for the Shown Unit(s) during the Delivery Period does not exceed the Shown Unit's Net Qualifying Capacity and, if applicable, the Effective Flexible Capacity for the Shown Unit(s);
- (d) If applicable, Seller has notified either the Shown Unit's SC or the entity from which Seller purchased the Product that Seller has transferred the Contract Quantity of Product for the Delivery Period to Buyer; and
- (e) Seller has notified or will notify the Shown Unit's SC that Buyer is entitled to the revenues set forth in Section 3.2(b), and such Shown Unit's SC is obligated to promptly deliver those revenues to Buyer, along with appropriate documentation supporting the amount of those revenues.

4.4 Market Based Rate Authority

Upon Buyer's written request, Seller shall, in accordance with FERC Order No. 697, submit a letter of concurrence in support of any affirmative statement by Buyer that this contractual arrangement does not transfer "ownership or control of generation capacity" from Seller to Buyer as the term "ownership or control of generation capacity" is used in 18 CFR Section 35.42. Seller shall not, in filings, if any, made subject to Order Nos. 652 and 697, claim that this contractual arrangement conveys ownership or control of generation capacity from Seller to Buyer.

ARTICLE 5 **AMENDMENTS TO THE MASTER AGREEMENT; GENERAL PROVISIONS**

5.1 Termination Payment

For this Transaction, the following is inserted at the end Section 5.2 of the Master Agreement:

"If Buyer is the Non-Defaulting Party and Buyer reasonably expects to incur or be liable for any penalties, fines or costs from CAISO, or any Governmental Body, because Buyer or a Subsequent Buyer is not able to include the applicable Expected Contract Quantity in a Compliance Showing due to Seller's Event of Default, then Buyer may, in good faith,

estimate the amount of those penalties, fines or costs and include the estimate in its calculation of the Settlement Amount, subject to accounting to Seller when those penalties, fines or costs are finally ascertained. If this accounting establishes that Buyer's estimate exceeds the actual amount of penalties, fines or costs, Buyer must promptly remit to Seller the excess amount with interest in accordance with Section 6.2 of the Master Agreement. The rights and obligations with respect to determining and paying any Termination Payment, and any dispute resolution provisions with respect thereto, survive the termination of this Transaction and continue until after those penalties, fines or costs are finally ascertained."

5.2 Confidentiality

Notwithstanding anything in the Master Agreement:

- (a) Buyer may disclose information as necessary in order to support its Compliance Showings or otherwise show it has met its Compliance Obligations;
- (b) Seller may disclose as necessary to a Shown Unit's SC or as necessary for submitting Supply Plans;
- (c) Each Party may disclose information as necessary to the independent evaluator or other administrator of any competitive solicitation process of Buyer, which in turn may disclose such information as necessary to CAISO or any Governmental Body; and
- (d) Buyer may disclose information to any Subsequent Buyer.

5.3 Dodd-Frank Act

Each Party represents and warrants to the other that it is an "eligible contract participant" within the meaning of the United States Commodity Exchange Act §1a(18). Without limiting Section 10.10 of the Master Agreement, the Parties intend this Transaction to be a "customary commercial arrangement" as described in Section II.A.1 of Commodity Futures Trading Commission, *Proposed Guidance, Certain Natural Gas and Electric Power Contracts*, 81 Fed. Reg. 20583 at 20586 (Apr. 8, 2016) and a "Forward Capacity Transaction" within the meaning of Commodity Futures Trading Commission, *Final Order in Response to a Petition From Certain Independent System Operators and Regional Transmission Organizations To Exempt Specified Transactions Authorized by a Tariff or Protocol Approved by the Federal Energy Regulatory Commission*, 78 Fed. Reg. 19,880 (Apr. 2, 2013).

5.4 Change in Law

If any action by the CPUC, CAISO or any Governmental Body having jurisdiction results in any change in applicable law occurring after the Confirmation Effective Date that (i) materially changes Buyer's or Seller's obligations with regard to the Products sold hereunder, (ii) has the effect of changing the transfer and sale procedure set forth in this Confirmation so that the performance of this Confirmation becomes impracticable, or (iii) changes the requirements for Resource Adequacy Requirements such that the Product can no longer be counted towards Buyer's

Resource Adequacy Requirements (a “Change in Law”), the Parties shall work in good faith to revise this Confirmation so that the Parties can perform their obligations regarding the purchase and sale of Product sold hereunder in order to maintain the original intent of the Parties under this Confirmation. If the Change in Law results in the Product no longer being able to be counted towards Buyer’s Resource Adequacy Requirements, and the Parties have not reached agreement within thirty (30) days after the initiation of discussions regarding the Change in Law on amendments that would allow the Product to be able to be counted towards Buyer’s Resource Adequacy Requirements, Buyer may terminate this Confirmation upon written notice to Seller, which shall be effective the next Business Day after such notice is received, and any such termination shall be without liability to either Party, subject to payment of any amounts owing as of the effective date of such termination.

5.5 Governing Law

This Confirmation, including the provisions and requirements of the Tariff and the definition of the Product and its components, and any portion of the Master Agreement applicable to this Transaction shall be governed by and construed in accordance with the laws of the State of California, without regard to the conflicts of laws rules thereof.

5.6 Credit and Collateral

Except as provided in the Master Agreement, neither Party shall be required to post collateral or other security for this Transaction.

5.7 Counterparts

This Confirmation may be signed in any number of counterparts with the same effect as if the signatures to the counterparts were upon a single instrument. The Parties may rely on electronic, facsimile or scanned signatures as originals under this Confirmation. Delivery of an executed signature page of this Confirmation by facsimile or electronic mail transmission (including PDF) shall be the same as delivery of a manually executed signature page.

5.8 Entire Agreement; No Oral Agreements or Modifications

This Confirmation sets forth the terms of the Transaction into which the Parties have entered and shall constitute the entire agreement between the Parties relating to the contemplated purchase and sale of the Product. Notwithstanding any other provision of the Agreement to the contrary, this Transaction may be confirmed only through a written document executed by both Parties, and no amendment or modification to this Transaction shall be enforceable except through a written document executed by both Parties.

APPENDIX A DEFINED TERMS

“Alternate Capacity” means replacement Product which Seller has elected to provide to Buyer in accordance with the terms of Section 2.3.

“CAISO” means the California ISO or the successor organization to the functions thereof.

“Capacity Attributes” means attributes of the Shown Unit that may be counted toward Compliance Obligations, including: flexibility, dispatchability, physical location or point of electrical interconnection of the Shown Unit; Unit ability to generate at a given capacity level, provide ancillary services, or ramp up or down at a given rate; any current or future defined characteristics, certificates, tags, credits, or accounting constructs of the Shown Unit, howsoever entitled, identified from time to time by the CAISO or a Governmental Body having jurisdiction over Compliance Obligations.

“CIRA Tool” means the CAISO Customer Interface for Resource Adequacy.

“Compliance Obligations” means, as applicable, RAR, Local RAR and FCR.

“Compliance Showings” means the applicable LSE’s compliance with the Resource Adequacy Requirements of the CPUC for an applicable Delivery Period.

“Contingent Firm RA Product” has the meaning set forth in Article 1 herein.

“CPUC Decisions” means any currently effective or future decisions, resolutions, or rulings related to the Resource Adequacy Requirements.

“Delivery Period” means the period specified in Appendix B during which Seller shall deliver the Product to Buyer.

“Effective Flexible Capacity” has the meaning given in the CAISO Tariff.

“Environmental Costs” means (i) costs incurred in connection with acquiring and maintaining all environmental permits and licenses for the Product, (ii) the Product’s compliance with all applicable environmental laws, rules, and regulations, including capital costs for pollution mitigation or installation of emissions control equipment required to permit or license the Product, (iii) all operating and maintenance costs for operation of pollution mitigation or control equipment, (iv) costs of permit maintenance fees and emission fees as applicable, (v) the costs of all emission reductions that have been authorized by a local air pollution control district or emissions trading credits or units pursuant to the California Health & Safety Code, market based incentive programs such as the South Coast Air Quality Management District’s Regional Clean Air Incentives Market, authorizations to emit sulfur dioxide and oxides of nitrogen by the Environmental Protection Agency, and any costs related to greenhouse gas emissions required by any applicable environmental laws, rules, regulations, or permits to operate, and (vi) costs associated with the disposal, clean-up, decontamination or remediation, on or off site, of hazardous substances.

“Expected Contract Quantity” means, with respect to any particular day of the Delivery Period, (a) for Firm RA Product, the Contract Quantity of Product, including the amount of Contract Quantity of Product that Seller has elected to provide as Alternate Capacity with respect to such day, and (b) for Contingent Firm RA Product, the Contract Quantity of Product, including the amount of Contract Quantity of Product that Seller has elected to provide as Alternate Capacity with respect to such day, less any reductions to Contract Quantity for such day consistent with Section 2.2 with respect to which Seller has not elected to provide Alternate Capacity.

“Firm RA Product” has the meaning set forth in Article 1 herein.

“Flexible Capacity” or “FCR” means the flexible capacity requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, the CAISO pursuant to the Tariff, or other Governmental Body having jurisdiction over Compliance Obligations and includes any non-binding advisory showing which an LSE is required to make with respect to flexible capacity.

“Governmental Body” means any federal, state, local, municipal or other government; any governmental, regulatory or administrative agency, commission or other authority lawfully exercising or entitled to exercise any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power; and any court or governmental tribunal.

“Local RAR” means the local Resource Adequacy Requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, by CAISO pursuant to the Tariff, or by any other Governmental Body having jurisdiction over Compliance Obligations.

“LSE” means “Load Serving Entity” as such term is used in Section 40.9 of the Tariff.

“MW” means megawatt.

“Net Qualifying Capacity” has the meaning given in the CAISO Tariff.

“Notification Deadline” is five (5) Business Days before the relevant deadlines for the corresponding Compliance Showings applicable to the relevant Showing Month, or three (3) Business Days before the relevant deadlines for the corresponding Compliance Showings for the Delivery Period, if applicable.

“Planned Outage” means, subject to and as further described in the CPUC Decisions, a CAISO-approved, planned or scheduled disconnection, separation or reduction in capacity of the Unit that is conducted for the purposes of carrying out routine repair or maintenance of such Unit, or for the purposes of new construction work for such Unit.

“Product” means RAR, Local RAR and/or FCR for the Delivery Period, Unit, Contract Quantity, Contract Price and other specifications described on page 1 of this Confirmation and contained in Appendix B.

“Prorated Percentage of Unit Factor” means the percentage, as specified in Appendix B, of the Unit NQC as of the Effective Date that is dedicated to Buyer under this Transaction.

“Prorated Percentage of Unit Flexible Factor” means the percentage, as specified in Appendix B, of the Unit EFC as of the Effective Date that is dedicated to Buyer under this Transaction.

“Prudent Operating Practice” means (a) the applicable practices, methods and acts required by or consistent with applicable laws and reliability criteria, and otherwise engaged in or approved by a significant portion of the electric power industry during the relevant time period in the Western United States, or (b) any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Prudent Operating Practice is not intended to be limited to the optimum practice, method or act to the exclusion of all others, but rather to acceptable practices, methods or acts generally accepted in the electric power industry in the Western United States.

“Replacement Unit” means a generating unit meeting the requirements specified in Section 2.3.

“Resource Adequacy Requirements” or “RAR” means the resource adequacy requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, by CAISO pursuant to the Tariff, or by any other Governmental Body having jurisdiction over Compliance Obligations.

“SC” means Scheduling Coordinator as defined in the Tariff.

“Showing Month” means the calendar month of the Delivery Period that is the subject of the related Compliance Showing.

“Shown Unit” means the Unit, or any Replacement Unit meeting the requirements of Section 2.3 of this Confirmation and specified by Seller in a Supply Plan, but not necessarily identified by Seller to Buyer on the Effective Date.

“Subsequent Buyer” means the Buyer of Product from Buyer in a re-sale of Product by Buyer.

“Tariff” means the CAISO Tariff, including any current CAISO-published “Operating Procedures” and “Business Practice Manuals,” in each case as amended or supplemented from time to time.

“Unit” means the generation unit described in Appendix B. A Unit may not be a nuclear or coal-fired generating facility.

“Unit EFC” means the lesser of the Unit’s Effective Flexible Capacity as set by CAISO as of the Effective Date and that of the Unit on a subsequent date of determination.

“Unit NQC” means the lesser of the Unit’s Net Qualifying Capacity as set by CAISO as of the Effective Date and that of the Unit on a subsequent date of determination.

APPENDIX B PRODUCT AND UNIT INFORMATION

Product:

RAR Local RAR Flexible Capacity

and all Capacity Attributes related to such Product.

Delivery Period: [REDACTED]

Contract Quantity and Contract Price:

Contract Month/Year	Flexible RAR Contract Quantity (MWs)	RA Capacity Price (\$/kW-month)
[REDACTED]	■	[REDACTED]

Unit Information

Name	Sunrise Power Project AGGREGATE II
Location	Fellows, CA
CAISO Resource ID	SUNRIS_2_PL1X3
Product Type (Flexible or Generic)	Flexible
SCID of Resource	ALSR
Resource Type	Natural Gas
Resource Category (1, 2, 3 or 4)	4
Point of Interconnection with the CAISO Controlled Grid ("Substation")	NA
Flexible RAR Category (1, 2 or 3)	1
Path 26 (North, South or None)	South
LAR Attributes (Yes or No)	No
Local Capacity Area (if any, as of Confirmation Effective Date)	N/A
Deliverability restrictions, if any, as described in most recent CAISO deliverability assessment	None
Run Hour Restrictions	None
Flexible Capacity Category (Base/Peak/Super-peak)(as of the Confirmation Effective Date)	Base

**APPENDIX C
NOTICE INFORMATION**

Party A: NRG Business Marketing LLC	Party B: Silicon Valley Clean Energy Authority
All notice information for Party A will be as set forth on the Cover Sheet to the Master Agreement unless otherwise set forth below.	All notice information for Party B will be as set forth on the Cover Sheet to the Master Agreement unless otherwise set forth below.
All Notices: ████████████████████ ████████████████████ ████████████████████ ████████████████████ ████████████████████ ████████████████████ ████████████████████ ████████████████████	All Notices: ████████████████████ ████████████████████ ████████████████████ ████████████████████ ████████████████████ ████████████████████ ████████████████████ ████████████████████ ████████████████████
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Wire Transfer: ████████████████████ ████████████████████ ████████████████████ ████████████████████ ████████████████████	Wire Transfer: ████████████████████ ████████████████████ ████████████████████
Credit and Collections: ████████████████████ ████████████████████ ████████████████████ ████████████████████	Credit and Collections: ████████████████████ ████████████████████ ████████████████████

Defaults:	With additional Notices of an Event of Default or Potential Event of Default to:
[Redacted]	[Redacted]

**APPENDIX D
PLANNED OUTAGE SCHEDULE**

Unit Name	CAISO Resource ID *	Outage (MW)	SLIC Outage Start Date	SLIC Outage End Date
N/A	N/A	N/A	N/A	N/A

EEI RESOURCE ADEQUACY CONFIRMATION

This confirmation (“Confirmation”) confirms the transaction between NRG Business Marketing LLC (“NBM”), (“Party A”) and Silicon Valley Clean Energy Authority (“Party B”), each individually a “Party” and together the “Parties”, dated as of March 25, 2024 (the “Effective Date”), by which Seller agrees to sell and deliver, and Buyer agrees to purchase and receive, the Product. This Transaction is governed by the Edison Electric Institute Master Power Purchase and Sale Agreement between the Parties dated November 28, 2016 as amended from time to time (the “Master Agreement”). The Master Agreement and this Confirmation, including any applicable appendices, exhibits or amendments hereto, shall be collectively referred to herein as the “Agreement” and shall constitute a single agreement between the Parties with respect to the Transaction. Capitalized terms not otherwise defined in this Confirmation or the Master Agreement are defined in the Tariff. References to Sections are references to Sections of this Confirmation unless stated to be references to Sections of the Master Agreement or a statute.

The terms of the Transaction to which this Confirmation relates are as follows:

Buyer:	NRG Business Marketing LLC Ref No. 143577028	Seller:	Silicon Valley Clean Energy Authority
Product:	<input checked="" type="checkbox"/> RAR <input type="checkbox"/> Local RAR <input type="checkbox"/> Flexible Capacity, as further described in Appendix B		
Contract Price (\$/kW-month):	██████████, as further described in Appendix B		
Contract Quantity (MW):	██████████ in for each month, as further described in Appendix B		
Delivery Period:	██████████, inclusive, as further		
Unit Information:	Described in Appendix B		
Payment Terms:	20 th Day of the month following the Delivery Period, as further described in Article 3		


This Confirmation is subject to the Appendices identified below and attached hereto:

Appendix A – Defined Terms
Appendix B – Product and Unit Information
Appendix C – Notice Information
Appendix D – Planned Outage Schedule

IN WITNESS WHEREOF, the Parties have signed this Confirmation effective as of the Effective Date.

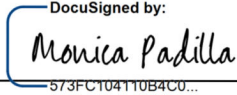
NRG Business Marketing LLC

Silicon Valley Clean Energy Authority

Sign:  _____

Print: Jay Robertson

Title: Director, West Commercial Operations

Sign: DocuSigned by:  _____
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Print: Monica Padilla

Title: CEO

ARTICLE 1
TRANSACTION TERMS

Product, Delivery Period, Contract Quantity, Contract Price and other specifics of the Product are described on page 1 of this Confirmation and in Appendix B. Appendices A, B, C, and D are incorporated into this Confirmation.

Firm RA Product:

Seller shall provide Buyer with the Product from the Unit in the amount of the Contract Quantity. If the Unit is not available to provide the full amount of the Contract Quantity for any reason, then Seller shall have the option to supply Alternate Capacity pursuant to Section 2.3 to fulfill the remainder of the Contract Quantity during such period. If Seller fails to provide Buyer with the Contract Quantity and has failed to supply Alternate Capacity to fulfill the remainder of the Contract Quantity during such period, then Seller shall be liable for damages and/or required to indemnify Buyer for penalties or fines pursuant to the terms of Section 2.5.

Contingent Firm RA Product:

Seller shall provide Buyer with the Product from the Unit in the amount of the Contract Quantity. If the Unit is not available to provide the full amount of the Contract Quantity as a result of any reduction of the Contract Quantity of the Unit in accordance with Section 2.2, Seller shall have the option to notify Buyer that either (a) Seller will not provide the portion of the Contract Quantity attributable to such reduction during the period of such non-availability; or (b) Seller will supply Alternate Capacity to fulfill the remainder of the Contract Quantity during such period pursuant to Section 2.3. If the Unit is not available to provide the full amount of the Contract Quantity as a result of any reason other than as provided in Section 2.2, then Seller shall have the option to supply Alternate Capacity pursuant to Section 2.3 to fulfill the remainder of the Contract Quantity during such period. If Seller fails to provide Buyer with the Expected Contract Quantity from the Unit and has failed to supply Alternate Capacity to fulfill the remainder of the Expected Contract Quantity during such period, then Seller shall be liable for damages and/or required to indemnify Buyer for penalties or fines pursuant to the terms of Section 2.5.

ARTICLE 2
DELIVERY OBLIGATIONS AND ADJUSTMENTS

2.1 Sale and Delivery of Product

- (a) For each day of the Delivery Period, Seller shall sell and deliver to Buyer, and Buyer shall purchase and receive from Seller, the Expected Contract Quantity of the Product from the Shown Unit(s). Seller's obligation to deliver the Expected Contract Quantity of Product for each day of the Delivery Period is firm and will not be excused for any reason.
- (b) Seller shall deliver the Expected Contract Quantity by submitting to CAISO in its Supply Plan the Shown Unit(s) and the characteristics of the Shown Unit(s) and

Product for Buyer, as further specified in Appendix B, all in compliance with this Confirmation.

- (c) Seller shall cause all Supply Plans to meet and be filed in conformance with the requirements of the CPUC and the Tariff. Seller shall submit, or cause the Shown Unit's SC to submit, on a timely basis with respect to each applicable day of the Delivery Period, Supply Plans in accordance with the Tariff and CPUC requirements to identify and confirm the Product delivered to Buyer for each day of the Delivery Period. The total amount of Product identified and confirmed for each day of the Delivery Period shall equal the Expected Contract Quantity.
- (d) Seller may sell and deliver Product from a Shown Unit that meets the requirements set forth in Appendix B. In no event shall a Shown Unit utilize coal or coal materials as a source of fuel or be a nuclear generating facility. A Shown Unit must be a specific resource that is connected directly to the CAISO controlled grid or be under the operational control of CAISO. A Shown Unit may not be an unspecified import. Seller shall identify the Shown Unit(s) and Expected Contract Quantity by providing Buyer with the specific information contemplated in Appendix B no later than the Notification Deadline for the Delivery Period.
- (e) If CAISO rejects either the Supply Plan or the Resource Adequacy Plan with respect to any part of the Expected Contract Quantity for the Shown Unit(s) in any day of the Delivery Period, the Parties shall confer, make such corrections as are necessary for acceptance, and resubmit the corrected Supply Plan or Resource Adequacy Plan for validation before the applicable deadline for the Delivery Period.
- (f) The Product is delivered and received when the CIRA Tool shows that the Supply Plan submitted in compliance with Buyer's instructions, including Buyer's instructions to withhold all or part of the Expected Contract Quantity from Seller's Supply Plan for any day of the Delivery Period during the Delivery Period, has been accepted for the Product from the Shown Unit(s) by CAISO. Seller has failed to deliver the Product if (i) Buyer has elected to submit the Product from the Shown Unit(s) in its Resource Adequacy Plan and such submission is accepted by the CPUC and the CAISO but the Supply Plan and Resource Adequacy Plan are not matched in the CIRA Tool and are rejected by CAISO notwithstanding performance of Section 2.1(e) or (ii) Seller fails to submit the volume of Expected Contract Quantity for any day of the Delivery Period in such amount as instructed by Buyer for the applicable day(s) of the Delivery Period. Seller shall not have failed to deliver the Expected Contract Quantity if Buyer fails or chooses not to submit the Shown Unit(s) and the Product in its Resource Adequacy Plan with the CPUC or CAISO.
- (g) The Shown Unit(s) must not have characteristics that would trigger the need for Buyer or Seller to file an advice letter or other request for authorization with the CPUC.

2.2 Adjustments to Contract Quantity

If Seller is providing Contingent Firm RA Product, Seller's obligation to deliver the Contract Quantity for each day of the Delivery Period may be reduced at Seller's option by the amount of any Planned Outages which exist with respect to any portion of the Unit during the applicable days of such Planned Outages; provided, (i) Seller notifies Buyer by the Notification Deadline applicable to that day of the Delivery Period of the amount of Product from the Unit that Buyer may include in Buyer's Compliance Showings for each day of that month as a result of such Planned Outage, and (ii) such reduction is able to be reflected on the Supply Plans in accordance with the Tariff.

In the event Seller is unable to provide the Contract Quantity for any portion of a Delivery Period because of a Planned Outage of a Unit, Seller has the option, but not the obligation, to provide Product for such portions of such Delivery Period from Replacement Units, provided Seller provides and identifies such Replacement Units in accordance with Section 2.3.

2.3 Seller's Option To Provide Alternate Capacity

If Seller is unable to provide the full Contract Quantity for each day of each Delivery Period for any reason, including, without limitation, as provided in Section 2.2, or Seller desires to provide a portion of the Contract Quantity for any day of a Delivery Period from a different generating unit other than the Unit, then Seller may, at no cost to Buyer, provide Buyer with replacement Product from one or more Replacement Units in an amount such that the total amount of Product provided to Buyer from the Unit and any Replacement Unit(s) for each day of the Delivery Period is not more than the Contract Quantity, provided that in each case:

- (a) Seller shall notify Buyer in writing of its intent to provide Alternate Capacity and shall identify the Replacement Unit(s) from which such Alternate Capacity shall be provided before the Notification Deadline for such Delivery Period; and
- (b) The designation of any Replacement Unit(s) by Seller shall be subject to Buyer's prior written approval, which shall not be unreasonably withheld.

Once Seller has identified in writing any Replacement Units that meet the requirements of this Section 2.3, and Buyer has approved such Replacement Units as consistent with this Confirmation, then any such Replacement Units shall be deemed a Unit for purposes of this Confirmation for that Delivery Period. Buyer's approval of a Replacement Unit as to a given Delivery Period shall not be construed as approval of such Replacement Unit for any subsequent Delivery Period.

2.4 Planned Outages

As of the Confirmation Effective Date, Seller and Buyer have agreed to all Planned Outages as specified in Appendix D ("Planned Outage Schedule") for all relevant Delivery Periods for the following calendar year, or until the end of the Delivery Period, whichever is shorter. Seller may provide Buyer with proposed changes to the Planned Outage Schedule from time to time. Within ten (10) Business Days after Buyer's receipt of any such Seller proposed changes, Buyer shall notify Seller in writing of reasonable requests for modifications to such Seller proposed changes,

and Seller shall, to the extent consistent with Prudent Operating Practice, accommodate Buyer's requests regarding the timing of any Seller proposed changes to the Planned Outage Schedule.

2.5 Buyer's Remedies for Seller's Failure to Deliver Expected Contract Quantity

- (a) If Seller fails to deliver any part of the Expected Contract Quantity as required herein for any day of the Delivery Period, Seller shall be liable for damages pursuant to Section 4.1 of the Master Agreement.
- (b) Seller shall indemnify, defend and hold harmless Buyer from any penalties, fines or costs, including Environmental Costs, assessed against Buyer by the CPUC, CAISO or other Governmental Body resulting from Seller's failure to deliver the Product or a Shown Unit's SC's failure to timely or accurately submit Supply Plans in accordance with the Tariff and this Confirmation. The Parties shall use commercially reasonable efforts to minimize such penalties, fines or costs; provided, that in no event shall Buyer be required to use or change its utilization of its owned or controlled assets or market positions to minimize these penalties, fines or costs. If Seller fails to pay the foregoing penalties, fines or costs, or fails to reimburse Buyer for those penalties, fines or costs, then, without prejudice to its other rights and remedies, Buyer may setoff and recoup those penalties, fines or costs against any future amounts it may owe to Seller under this Confirmation or the Master Agreement.

2.6 Buyer's Re-Sale of Product

- (a) Buyer may re-sell all or part of the Product; provided that any such re-sale must not increase Seller's obligations hereunder other than as set forth in this Section 2.6. For any such a resale, the Resource Adequacy Plan of Buyer as used herein will refer to the Resource Adequacy Plan of Subsequent Buyer. Seller shall, or shall cause the Shown Unit's SC, to follow Buyer's instructions with respect to providing such resold Product to Subsequent Buyers, to the extent such instructions are consistent with Seller's obligations under this Confirmation. Seller shall, and shall cause the Shown Unit's SC, to take all commercially reasonable actions and execute all documents or instruments reasonably necessary to allow such Subsequent Buyers to use such resold Product in a manner consistent with Buyer's rights under this Confirmation. If Buyer incurs any liability to a Subsequent Buyer due to the failure of Seller or the Shown Unit's SC to comply with this Confirmation, Seller shall be liable to Buyer for the same amounts Seller would have owed Buyer under this Confirmation if Buyer had not resold the Product.
- (b) Buyer shall notify Seller in writing of any resale of Product and the Subsequent Buyer no later than two (2) Business Days before the Notification Deadline for each Delivery Period for which Buyer has resold Product. Buyer shall notify Seller of any subsequent changes or further resales no later than two (2) Business Days before the Notification Deadline for the Delivery Period.

- (c) If CAISO or CPUC develops a centralized capacity market, Buyer shall have the exclusive right to direct the Seller or the Unit's SC to offer, bid, or otherwise submit the Expected Contract Quantity for re-sale into such market, and Seller and the Unit's SC shall comply with the Buyer's direction and Buyer shall retain and receive all revenues from such re-sale.
- (d) Buyer shall have the exclusive right to direct the Seller or the Unit's SC to offer, bid, or otherwise submit the Expected Contract Quantity into the CAISO Competitive Solicitation Process (CSP) for CPM Capacity. Seller and the Unit's SC shall comply with the Buyer's direction and, to the extent that the CAISO designates the Expected Contract Quantity as CPM Capacity, Buyer shall be entitled to retain and receive the CPM Capacity Payment. Unless otherwise instructed by Buyer, (i) Seller shall not, and shall cause the Unit's SC to not, offer any portion of the Expected Contract Quantity to CAISO as CPM Capacity and (ii) if CAISO designates any portion of the Contract Capacity as CPM Capacity, then Seller shall, and shall cause the Unit's SC to, promptly (and in any event within one (1) Business Day of the time Seller receives notification from CAISO) notify Buyer of such designation, and if CAISO makes such a designation, Seller shall not, and shall cause the Unit's SC to not, accept any such designation by CAISO unless and until Buyer has agreed to accept such designation.
- (e) Notwithstanding any provisions herein, Buyer shall not re-sell the Product outside the CAISO.

ARTICLE 3 **PAYMENTS**

3.1 Payment

After Seller has delivered the Expected Contract Quantity in accordance with Section 2.1 and issued its invoice, Buyer shall pay for the Product as provided in Article Six of the Master Agreement and this Confirmation. Buyer shall make a monthly payment to Seller for each Unit by the later of (i) ten (10) Calendar Days after Buyer's receipt of Seller's invoice or (ii) the twentieth (20th) day of the month after the Delivery Period; provided, however, if such day is not a Business Day then payment shall be made by the following Business Day ("RA Capacity Payment"). Each Unit's RA Capacity Payment shall be equal to the product of (a) the applicable Contract Price for the relevant day of the Delivery Period, (b) the Expected Contract Quantity for the day of the Delivery Period, and (c) 1,000, rounded to the nearest penny (i.e., two decimal places); provided, however, that the RA Capacity Payment shall be adjusted to reflect any portion of Expected Contract Quantity for the Delivery Period that was not delivered in accordance with Section 2.1 for such Showing Month.

3.2 Allocation of Other Payments and Costs

- (a) Seller shall receive any revenues from, and must pay all costs charged by, CAISO or any other third party with respect to the Shown Unit(s) for (i) start-up, shutdown, and minimum load costs, (ii) capacity for ancillary services, (iii) energy sales, (iv) flexible ramping product, or (v) black start or reactive power services. Buyer must

promptly report receipt of any such revenues to Seller. Buyer must pay to Seller any such amounts described in this Section 3.2(a) received by Buyer or a Subsequent Buyer. Without prejudice to its other rights and remedies, Seller may setoff and recoup any such amounts that are not paid to it pursuant to this Section 3.2(a) against any amounts owed to Buyer under the Master Agreement.

- (b) Buyer is to receive and retain all revenues associated with the Expected Contract Quantity of Product during the Delivery Period, including any capacity and availability revenues from the Capacity Procurement Mechanism, or its successor, RUC Availability Payments, or its successor, but excluding payments described in Section 3.2(a)(i)-(v) or 3.2(d). Seller shall promptly report receipt of any such revenues to Buyer. Seller shall pay to Buyer within thirty (30) days of receipt any such amounts received by Seller, or a Shown Unit's SC, owner, or operator. Without prejudice to its other rights, Buyer may set off and recoup any such amounts that are not paid to it against amounts owed to Seller under the Master Agreement.
- (c) Any Availability Incentive Payments or Non-Availability Charges are for Seller to receive and pay.

ARTICLE 4

OTHER BUYER AND SELLER COVENANTS

4.1 CAISO Requirements

Seller shall schedule or cause the Shown Unit's SC to schedule or make available to CAISO the Expected Contract Quantity of the Product during the Delivery Period in compliance with the Tariff and perform all, or cause the Shown Unit's SC, owner, or operator to perform all, obligations under applicable law and the Tariff relating to the Product. Buyer is not liable for, and Seller shall indemnify and hold Buyer harmless from, the failure of Seller or the Shown Unit's SC, owner, or operator to comply with the Tariff, and for any penalties, fines or costs imposed on Seller or the Shown Unit's SC, owner, or operator for noncompliance.

4.2 Seller's and Buyer's Duties to Take Actions to Allow Product Utilization

Throughout the Delivery Period, Buyer and Seller shall take all commercially reasonable actions and execute all documents or instruments reasonably necessary to ensure (a) Buyer's rights to the Expected Contract Quantity for the sole benefit of Buyer or any Subsequent Buyer, and (b) that Buyer may use the Expected Contract Quantity to meet its Compliance Obligations. Such commercially reasonable actions shall include, without limitation, cooperating with and providing, and causing each Shown Unit's SC, owner, or operator to cooperate with and provide, requested and supporting documentation to the CAISO, the CPUC, or any other Governmental Body responsible for administering the applicable Compliance Obligations, including to demonstrate that the Expected Contract Quantity can be delivered to the CAISO controlled grid for the minimum hours required to satisfy RAR pursuant to the "deliverability" standards established by the CAISO or other Governmental Body of competent jurisdiction.

If necessary, the Parties further agree to negotiate in good faith to amend this Confirmation to

conform this Transaction to subsequent clarifications, revisions, or decisions rendered by CAISO or an applicable Governmental Body to maintain the benefits of the Transaction.

4.3 Seller's Representations and Warranties

Seller represents and warrants to Buyer throughout the Delivery Period that:

- (a) No part of the Contract Quantity during the Delivery Period has been committed by Seller to any third party to satisfy Compliance Obligations or analogous obligations in any CAISO or non-CAISO markets;
- (b) The Shown Unit(s) qualify to provide the Product under the Tariff, and the Shown Unit(s) and Seller are capable of delivering the Product;
- (c) The aggregation of all amounts of Capacity Attributes that Seller has sold, assigned, or transferred for the Shown Unit(s) during the Delivery Period does not exceed the Shown Unit's Net Qualifying Capacity and, if applicable, the Effective Flexible Capacity for the Shown Unit(s);
- (d) If applicable, Seller has notified either the Shown Unit's SC or the entity from which Seller purchased the Product that Seller has transferred the Contract Quantity of Product for the Delivery Period to Buyer; and
- (e) Seller has notified or will notify the Shown Unit's SC that Buyer is entitled to the revenues set forth in Section 3.2(b), and such Shown Unit's SC is obligated to promptly deliver those revenues to Buyer, along with appropriate documentation supporting the amount of those revenues.

4.4 Market Based Rate Authority

Upon Buyer's written request, Seller shall, in accordance with FERC Order No. 697, submit a letter of concurrence in support of any affirmative statement by Buyer that this contractual arrangement does not transfer "ownership or control of generation capacity" from Seller to Buyer as the term "ownership or control of generation capacity" is used in 18 CFR Section 35.42. Seller shall not, in filings, if any, made subject to Order Nos. 652 and 697, claim that this contractual arrangement conveys ownership or control of generation capacity from Seller to Buyer.

ARTICLE 5 **AMENDMENTS TO THE MASTER AGREEMENT; GENERAL PROVISIONS**

5.1 Termination Payment

For this Transaction, the following is inserted at the end Section 5.2 of the Master Agreement:

"If Buyer is the Non-Defaulting Party and Buyer reasonably expects to incur or be liable for any penalties, fines or costs from CAISO, or any Governmental Body, because Buyer or a Subsequent Buyer is not able to include the applicable Expected Contract Quantity in a Compliance Showing due to Seller's Event of Default, then Buyer may, in good faith,

estimate the amount of those penalties, fines or costs and include the estimate in its calculation of the Settlement Amount, subject to accounting to Seller when those penalties, fines or costs are finally ascertained. If this accounting establishes that Buyer's estimate exceeds the actual amount of penalties, fines or costs, Buyer must promptly remit to Seller the excess amount with interest in accordance with Section 6.2 of the Master Agreement. The rights and obligations with respect to determining and paying any Termination Payment, and any dispute resolution provisions with respect thereto, survive the termination of this Transaction and continue until after those penalties, fines or costs are finally ascertained."

5.2 Confidentiality

Notwithstanding anything in the Master Agreement:

- (a) Buyer may disclose information as necessary in order to support its Compliance Showings or otherwise show it has met its Compliance Obligations;
- (b) Seller may disclose as necessary to a Shown Unit's SC or as necessary for submitting Supply Plans;
- (c) Each Party may disclose information as necessary to the independent evaluator or other administrator of any competitive solicitation process of Buyer, which in turn may disclose such information as necessary to CAISO or any Governmental Body; and
- (d) Buyer may disclose information to any Subsequent Buyer.

5.3 Dodd-Frank Act

Each Party represents and warrants to the other that it is an "eligible contract participant" within the meaning of the United States Commodity Exchange Act §1a(18). Without limiting Section 10.10 of the Master Agreement, the Parties intend this Transaction to be a "customary commercial arrangement" as described in Section II.A.1 of Commodity Futures Trading Commission, *Proposed Guidance, Certain Natural Gas and Electric Power Contracts*, 81 Fed. Reg. 20583 at 20586 (Apr. 8, 2016) and a "Forward Capacity Transaction" within the meaning of Commodity Futures Trading Commission, *Final Order in Response to a Petition From Certain Independent System Operators and Regional Transmission Organizations To Exempt Specified Transactions Authorized by a Tariff or Protocol Approved by the Federal Energy Regulatory Commission*, 78 Fed. Reg. 19,880 (Apr. 2, 2013).

5.4 Change in Law

If any action by the CPUC, CAISO or any Governmental Body having jurisdiction results in any change in applicable law occurring after the Confirmation Effective Date that (i) materially changes Buyer's or Seller's obligations with regard to the Products sold hereunder, (ii) has the effect of changing the transfer and sale procedure set forth in this Confirmation so that the performance of this Confirmation becomes impracticable, or (iii) changes the requirements for Resource Adequacy Requirements such that the Product can no longer be counted towards Buyer's

Resource Adequacy Requirements (a “Change in Law”), the Parties shall work in good faith to revise this Confirmation so that the Parties can perform their obligations regarding the purchase and sale of Product sold hereunder in order to maintain the original intent of the Parties under this Confirmation. If the Change in Law results in the Product no longer being able to be counted towards Buyer’s Resource Adequacy Requirements, and the Parties have not reached agreement within thirty (30) days after the initiation of discussions regarding the Change in Law on amendments that would allow the Product to be able to be counted towards Buyer’s Resource Adequacy Requirements, Buyer may terminate this Confirmation upon written notice to Seller, which shall be effective the next Business Day after such notice is received, and any such termination shall be without liability to either Party, subject to payment of any amounts owing as of the effective date of such termination.

5.5 Governing Law

This Confirmation, including the provisions and requirements of the Tariff and the definition of the Product and its components, and any portion of the Master Agreement applicable to this Transaction shall be governed by and construed in accordance with the laws of the State of California, without regard to the conflicts of laws rules thereof.

5.6 Credit and Collateral

Except as provided in the Master Agreement, neither Party shall be required to post collateral or other security for this Transaction.

5.7 Counterparts

This Confirmation may be signed in any number of counterparts with the same effect as if the signatures to the counterparts were upon a single instrument. The Parties may rely on electronic, facsimile or scanned signatures as originals under this Confirmation. Delivery of an executed signature page of this Confirmation by facsimile or electronic mail transmission (including PDF) shall be the same as delivery of a manually executed signature page.

5.8 Entire Agreement; No Oral Agreements or Modifications

This Confirmation sets forth the terms of the Transaction into which the Parties have entered and shall constitute the entire agreement between the Parties relating to the contemplated purchase and sale of the Product. Notwithstanding any other provision of the Agreement to the contrary, this Transaction may be confirmed only through a written document executed by both Parties, and no amendment or modification to this Transaction shall be enforceable except through a written document executed by both Parties.

APPENDIX A DEFINED TERMS

“Alternate Capacity” means replacement Product which Seller has elected to provide to Buyer in accordance with the terms of Section 2.3.

“CAISO” means the California ISO or the successor organization to the functions thereof.

“Capacity Attributes” means attributes of the Shown Unit that may be counted toward Compliance Obligations, including: flexibility, dispatchability, physical location or point of electrical interconnection of the Shown Unit; Unit ability to generate at a given capacity level, provide ancillary services, or ramp up or down at a given rate; any current or future defined characteristics, certificates, tags, credits, or accounting constructs of the Shown Unit, howsoever entitled, identified from time to time by the CAISO or a Governmental Body having jurisdiction over Compliance Obligations.

“CIRA Tool” means the CAISO Customer Interface for Resource Adequacy.

“Compliance Obligations” means, as applicable, RAR, Local RAR and FCR.

“Compliance Showings” means the applicable LSE’s compliance with the Resource Adequacy Requirements of the CPUC for an applicable Delivery Period.

“Contingent Firm RA Product” has the meaning set forth in Article 1 herein.

“CPUC Decisions” means any currently effective or future decisions, resolutions, or rulings related to the Resource Adequacy Requirements.

“Delivery Period” means the period specified in Appendix B during which Seller shall deliver the Product to Buyer.

“Effective Flexible Capacity” has the meaning given in the CAISO Tariff.

“Environmental Costs” means (i) costs incurred in connection with acquiring and maintaining all environmental permits and licenses for the Product, (ii) the Product’s compliance with all applicable environmental laws, rules, and regulations, including capital costs for pollution mitigation or installation of emissions control equipment required to permit or license the Product, (iii) all operating and maintenance costs for operation of pollution mitigation or control equipment, (iv) costs of permit maintenance fees and emission fees as applicable, (v) the costs of all emission reductions that have been authorized by a local air pollution control district or emissions trading credits or units pursuant to the California Health & Safety Code, market based incentive programs such as the South Coast Air Quality Management District’s Regional Clean Air Incentives Market, authorizations to emit sulfur dioxide and oxides of nitrogen by the Environmental Protection Agency, and any costs related to greenhouse gas emissions required by any applicable environmental laws, rules, regulations, or permits to operate, and (vi) costs associated with the disposal, clean-up, decontamination or remediation, on or off site, of hazardous substances.

“Expected Contract Quantity” means, with respect to any particular day of the Delivery Period, (a) for Firm RA Product, the Contract Quantity of Product, including the amount of Contract Quantity of Product that Seller has elected to provide as Alternate Capacity with respect to such day, and (b) for Contingent Firm RA Product, the Contract Quantity of Product, including the amount of Contract Quantity of Product that Seller has elected to provide as Alternate Capacity with respect to such day, less any reductions to Contract Quantity for such day consistent with Section 2.2 with respect to which Seller has not elected to provide Alternate Capacity.

“Firm RA Product” has the meaning set forth in Article 1 herein.

“Flexible Capacity” or “FCR” means the flexible capacity requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, the CAISO pursuant to the Tariff, or other Governmental Body having jurisdiction over Compliance Obligations and includes any non-binding advisory showing which an LSE is required to make with respect to flexible capacity.

“Governmental Body” means any federal, state, local, municipal or other government; any governmental, regulatory or administrative agency, commission or other authority lawfully exercising or entitled to exercise any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power; and any court or governmental tribunal.

“Local RAR” means the local Resource Adequacy Requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, by CAISO pursuant to the Tariff, or by any other Governmental Body having jurisdiction over Compliance Obligations.

“LSE” means “Load Serving Entity” as such term is used in Section 40.9 of the Tariff.

“MW” means megawatt.

“Net Qualifying Capacity” has the meaning given in the CAISO Tariff.

“Notification Deadline” is five (5) Business Days before the relevant deadlines for the corresponding Compliance Showings applicable to the relevant Showing Month, or three (3) Business Days before the relevant deadlines for the corresponding Compliance Showings for the Delivery Period, if applicable.

“Planned Outage” means, subject to and as further described in the CPUC Decisions, a CAISO-approved, planned or scheduled disconnection, separation or reduction in capacity of the Unit that is conducted for the purposes of carrying out routine repair or maintenance of such Unit, or for the purposes of new construction work for such Unit.

“Product” means RAR, Local RAR and/or FCR for the Delivery Period, Unit, Contract Quantity, Contract Price and other specifications described on page 1 of this Confirmation and contained in Appendix B.

“Prorated Percentage of Unit Factor” means the percentage, as specified in Appendix B, of the Unit NQC as of the Effective Date that is dedicated to Buyer under this Transaction.

“Prorated Percentage of Unit Flexible Factor” means the percentage, as specified in Appendix B, of the Unit EFC as of the Effective Date that is dedicated to Buyer under this Transaction.

“Prudent Operating Practice” means (a) the applicable practices, methods and acts required by or consistent with applicable laws and reliability criteria, and otherwise engaged in or approved by a significant portion of the electric power industry during the relevant time period in the Western United States, or (b) any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Prudent Operating Practice is not intended to be limited to the optimum practice, method or act to the exclusion of all others, but rather to acceptable practices, methods or acts generally accepted in the electric power industry in the Western United States.

“Replacement Unit” means a generating unit meeting the requirements specified in Section 2.3.

“Resource Adequacy Requirements” or “RAR” means the resource adequacy requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, by CAISO pursuant to the Tariff, or by any other Governmental Body having jurisdiction over Compliance Obligations.

“SC” means Scheduling Coordinator as defined in the Tariff.

“Showing Month” means the calendar month of the Delivery Period that is the subject of the related Compliance Showing.

“Shown Unit” means the Unit, or any Replacement Unit meeting the requirements of Section 2.3 of this Confirmation and specified by Seller in a Supply Plan, but not necessarily identified by Seller to Buyer on the Effective Date.

“Subsequent Buyer” means the Buyer of Product from Buyer in a re-sale of Product by Buyer.

“Tariff” means the CAISO Tariff, including any current CAISO-published “Operating Procedures” and “Business Practice Manuals,” in each case as amended or supplemented from time to time.

“Unit” means the generation unit described in Appendix B. A Unit may not be a nuclear or coal-fired generating facility.

“Unit EFC” means the lesser of the Unit’s Effective Flexible Capacity as set by CAISO as of the Effective Date and that of the Unit on a subsequent date of determination.

“Unit NQC” means the lesser of the Unit’s Net Qualifying Capacity as set by CAISO as of the Effective Date and that of the Unit on a subsequent date of determination.

**APPENDIX B
PRODUCT AND UNIT INFORMATION**

Product:

RAR Local RAR Flexible Capacity

and all Capacity Attributes related to such Product.

Delivery Period: [REDACTED] inclusive.

Contract Quantity and Contract Price:

Contract Month/Year	RAR Contract Quantity (MWs)	RA Capacity Price (\$/kW-month)
[REDACTED]	[REDACTED]	[REDACTED]

Unit Information

Name	Kern River Cogen Facility
Location	Bakersfield, CA
CAISO Resource ID	OMAR_2_UNIT 4
Product Type (Flexible or Generic)	Generic
SCID of Resource	TBD
Resource Type	Gas Cogen
Resource Category (1, 2, 3 or 4)	4
Point of Interconnection with the CAISO Controlled Grid ("Substation")	NA
Flexible RAR Category (1, 2 or 3)	NA
Path 26 (North, South or None)	South 26
LAR Attributes (Yes or No)	No
Local Capacity Area (if any, as of Confirmation Effective Date)	BCV
Deliverability restrictions, if any, as described in most recent CAISO deliverability assessment	None
Run Hour Restrictions	None
Flexible Capacity Category (Base/Peak/Super-peak)(as of the Confirmation Effective Date)	N/A

**APPENDIX C
NOTICE INFORMATION**

Party A: NRG Business Marketing LLC	Party B: Silicon Valley Clean Energy Authority
All notice information for Party A will be as set forth on the Cover Sheet to the Master Agreement unless otherwise set forth below.	All notice information for Party B will be as set forth on the Cover Sheet to the Master Agreement unless otherwise set forth below.
All Notices: [Redacted]	All Notices: [Redacted]
Invoices: [Redacted]	Invoices: [Redacted]
Scheduling: [Redacted]	Scheduling: [Redacted]
Wire Transfer: [Redacted]	Wire Transfer: [Redacted]
Credit and Collections: [Redacted]	Credit and Collections: [Redacted]

Defaults:	With additional Notices of an Event of Default or Potential Event of Default to:
[REDACTED]	[REDACTED]

**APPENDIX D
PLANNED OUTAGE SCHEDULE**

Unit Name	CAISO Resource ID *	Outage (MW)	SLIC Outage Start Date	SLIC Outage End Date
N/A	N/A	N/A	N/A	N/A

MASTER POWER PURCHASE AND SALE AGREEMENT
BILATERAL IMPORT CAPABILITY TRANSFER CONFIRMATION LETTER
BETWEEN
SILICON VALLEY CLEAN ENERGY AUTHORITY
AND
SOUTHERN CALIFORNIA EDISON COMPANY

This Confirmation Letter including all appendices hereto (“Confirmation”) confirms the Transaction between **Silicon Valley Clean Energy Authority (SVCE)** (“SVCE”) and **Southern California Edison Company** (“SCE”), each individually a “Party” and together the “Parties”, dated as of 4/17/2024 (the “Confirmation Effective Date”) in which Seller agrees to provide to Buyer the right to the Product, as such term is defined in this Confirmation, in the amounts described in this Confirmation. This Transaction is governed by the Edison Electric Institute (“EEI”) Master Power Purchase and Sale Agreement between the Parties, effective as of 2/7/2018, along with the Cover Sheet, any amendments and annexes thereto (the “Master Agreement”), and including, the EEI Collateral Annex to the Master Agreement along with the Paragraph 10 to the Collateral Annex between the Parties (such Paragraph 10 and the Collateral Annex are referred to collectively herein as the “Collateral Annex”) (the Master Agreement and the Collateral Annex shall be collectively referred to as the “EEI Agreement”). The EEI Agreement and this Confirmation shall be collectively referred to herein as the “Agreement”. Capitalized terms used but not otherwise defined in this Confirmation have the meanings ascribed to them in the EEI Agreement, or the CAISO Tariff (defined herein below). To the extent this Confirmation is inconsistent with any provision of the EEI Agreement, this Confirmation shall govern the rights and obligations of the Parties hereunder.

ARTICLE 1. TRANSACTION TERMS

The Product, Term, Delivery Period, Delivery Point, Contract Quantity and Contract Price are as specified in Appendix B of this Confirmation.

ARTICLE 2. DELIVERY OBLIGATIONS

2.1 Delivery of Product

Seller shall sell and deliver to Buyer, and Buyer shall receive and purchase from Seller, the Product at the Delivery Point in the amount of the applicable Contract Quantity for each month of the Delivery Period through a Bilateral Import Capability Transfer as specified in this Section 2.1.

Within (a) five (5) Business Days after the date that Seller receives the One-Time Payment from Buyer if Buyer is a Pre-Pay Buyer, or (b) five (5) Business Days after the Confirmation Effective Date if Buyer is not a Pre-Pay Buyer, Seller shall

or shall cause Seller's scheduling coordinator to register the transfer of the Product in the amount of the Contract Quantity at the Delivery Point in CAISO's CIRA Tool (or successor platform) in addition to completing any other actions required by the CAISO to effect such transfer (the "Registration").

As soon as reasonably practicable thereafter, but no later than three (3) Business Days after Registration, Buyer shall accept and confirm Seller's Registration in CAISO's CIRA Tool and will then communicate to Seller whether the transfer from Seller to Buyer of the Product in the amount of the Contract Quantity at the Delivery Point was successful or unsuccessful (a successful transfer, the "Transfer Completion Email"). If the transfer from Seller to Buyer of the Product in the amount of the Contract Quantity at the Delivery Point is unsuccessful, the Parties shall begin the registration process set forth in this Section 2.1 again, until the Parties receive a Transfer Completion Email.

2.2 Damages for Failure to Provide Product

If Seller fails to provide Buyer with all or any portion of the Contract Quantity of the Product at the Delivery Point in accordance with Section 2.1 for any portion of the Delivery Period (such undelivered amount, the "Replacement Capacity"), then the Seller shall pay Buyer, at the time set forth in Section 4.1 of the Master Agreement, the following damages in lieu of damages specified in Section 4.1 of the Master Agreement:

- (a) An amount equal to the greater of: (i) the Replacement Capacity Price multiplied by the Replacement Capacity, including any transaction costs and expenses incurred in connection with such procurement; and (ii) the Contract Price multiplied by the Replacement Capacity. Buyer's invoice for such amount shall include a written statement explaining in reasonable detail the calculation of such amount and shall include supporting documentation; and
- (b) Seller agrees to indemnify, defend and hold harmless Buyer from any penalties, fines or costs assessed against Buyer by the CPUC or the CAISO directly or indirectly resulting from such Replacement Capacity.

2.3 Buyer's Re-Sale of Product

Buyer may re-sell all or a portion of the Product acquired under this Confirmation.

ARTICLE 3. PAYMENT

3.1 One-Time Payment

In accordance with the terms of Article Six of the Master Agreement, and

(a) If Buyer is a Pre-Pay Buyer, Buyer shall make a One-Time Payment to Seller for the Product within ten (10) Business Days following the Confirmation Effective Date and before Seller transfers the Product in accordance with 2.1.

(b) If Buyer is not a Pre-Pay Buyer, then Buyer shall make a One-Time Payment to Seller for the Product within fifteen (15) Business Days after the later of: (a) receipt of the Transfer Completion Email; or (b) receipt of Seller's invoice.

The One-Time Payment is calculated as follows:

$$\text{One-Time Payment} = \sum^i (A_i \times B_i \times 1,000)$$

where:

A = Contract Price (in \$/kW-month) for the applicable Contract Month

B = Contract Quantity (in MW) transferred by Seller for the applicable Contract Month

i = Each Contract Month of the Delivery Period

n = number Contract Months

The One-Time Payment calculation shall be rounded to two decimal places.

3.2 Offset Rights

Either Party may offset any amounts owing to it for revenues, penalties, fines, costs reimbursement, or other payments pursuant to Article Six of the Master Agreement against any future amounts it may owe to the other Party.

ARTICLE 4. CONFIDENTIALITY

Notwithstanding Section 10.11 of the Master Agreement, the Parties agree that:

- (a) both Parties may disclose the terms and conditions of this Agreement and any and all written or recorded or oral information, data, analyses, documents, and materials furnished or made available by a Party to the other Party in connection with this Agreement to the Independent Evaluator;

- (b) both Parties and the Independent Evaluator may disclose the terms and conditions of this Agreement and any and all written or recorded or oral information, data, analyses, documents, and materials furnished or made available by a Party to the other Party in connection with this Agreement to the CAISO, the CPUC, and all divisions thereof, the CEC, any Governmental Authority, and participants of the procurement review group established pursuant to D.02-08-071 and D.03-06-071;
- (c) both Parties may disclose the terms of this Confirmation to the CAISO to effectuate Seller's performance and the transfer of the Product and the Parties acknowledge that the CAISO may publicly disclose the transfer of the Product from Seller to Buyer in accordance with the CAISO Tariff promptly following Seller's performance; and
- (d) in the event Buyer resells all or any portion of the Product, Buyer shall be permitted to disclose to the other party to such resale transaction all such information necessary to affect such resale transaction, other than the Contract Price;

provided, that each disclosing Party shall use reasonable efforts to limit, to the extent possible, the ability of any such applicable Governmental Authority or the CAISO to further disclose such information. In addition, in the event Buyer resells all or any portion of the Contract Quantity to another party, Buyer shall be permitted to disclose to the other party to such resale transaction all such information necessary to effect such resale transaction.

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In WITNESS WHEREOF, the Parties have caused this Confirmation to be duly executed as of the Confirmation Effective Date first written:

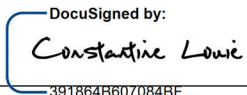
SILICON VALLEY CLEAN ENERGY AUTHORITY

SOUTHERN CALIFORNIA EDISON COMPANY,

a California joint powers authority.

a California corporation.

By:  573FC104110B4E0...

By:  391864B607084BF...

Name: Monica Padilla

Name: Constantine Louie

Title: CEO

Title: Sr. Manager, Energy Trading

Date: 4/3/2024

Date: 4/17/2024

APPENDIX A DEFINED TERMS

“Agreement” has the meaning specified in the introductory paragraph of this Confirmation.

“Bilateral Import Capability Transfer” is the transfer of Import Capability Rights from one Market Participant (as defined in the CAISO Tariff) to another, as described in the CAISO Tariff.

“Branch Group” means the branch group name used by the CAISO to represent the location of an Intertie with Import Capability Rights.

“Buyer” is as identified in Appendix B of this Confirmation.

“CAISO” means the California Independent System Operator Corporation, or any successor entity performing the same functions.

“CAISO Tariff” means the California Independent System Operator Corporation Tariff, Business Practice Manuals (BPMs), Operating Agreements, and Operating Procedures, including the rules, protocols, procedures and standards attached thereto, as the same may be amended or modified from time to time and approved by FERC, if applicable.

“CEC” means the California Energy Commission.

“Collateral Annex” has the meaning specified in the introductory paragraph of this Confirmation.

“Confirmation” has the meaning specified in the introductory paragraph of this Confirmation.

“Confirmation Effective Date” has the meaning specified in the introductory paragraph of this Confirmation.

“Contract Month” means the month during the Delivery Period as set forth in Appendix B under the column heading “Contract Month”.

“Contract Price” is the price set forth in Appendix B under the column heading “Contract Price”.

“Contract Quantity” is the quantity of Product set forth in Appendix B under the column heading “Contract Quantity”.

“Cover Sheet” has the meaning specified in the introductory paragraph of this Confirmation.

“CPUC” means the California Public Utilities Commission.

“Credit Rating” means, with respect to any entity, the rating then assigned to such entity’s unsecured, senior long-term debt or deposit obligations (not supported by third party credit enhancements) by S&P or Moody’s. If no rating is assigned to such entity’s unsecured, senior long-term debt or deposit obligations by any Ratings Agency, then “Credit Rating” means the general corporate credit rating or long-term issuer rating assigned to such entity by S&P or

Moody's. If an entity is rated by more than one Ratings Agency and the ratings are at different levels, then "Credit Rating" means the lowest such rating.

"Delivery Period" has the meaning specified in Appendix B.

"Delivery Point" has the meaning specified in Appendix B.

"EEI" has the meaning specified in the introductory paragraph of this Confirmation.

"EEI Agreement" has the meaning specified in the introductory paragraph of this Confirmation.

"Governmental Authority" means any: (a) federal, state, local, municipal or other government; (b) governmental, regulatory or administrative agency, commission or other authority lawfully exercising or entitled to

exercise any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power; and (c) court or governmental tribunal.

"Import Capability Rights" means the import capability assigned to Load Serving Entities (and, in limited circumstances to Participating Generators or System Resources) by CAISO during any step in CAISO's Import Capability Assignment Process as specified in CAISO Tariff Section 40.4.6.2.1.

"Independent Evaluator" has the meaning set forth in CPUC Decision 04-12-048.

"Intertie" has the meaning set forth in the CAISO Tariff.

"Investment Grade Rating" means a Credit Rating of "BBB- or above" by S&P and "Baa3 or above" by Moody's if rated by both S&P and Moody's or "BBB- or above" by S&P or "Baa3 or above" by Moody's if rated by S&P or Moody's but not both.

"Master Agreement" has the meaning specified in the introductory paragraph of this Confirmation.

"Moody's" means Moody's Investor Services, Inc.

"MW" means megawatt (or 1,000 kilowatts) of alternating current electric energy generating capacity.

"One-Time Payment" has the meaning specified in Section 3.1.

"Pre-Pay Buyer" means a Buyer who fails to maintain an Investment Grade Rating or has no Credit Rating, or whose guarantor fails to maintain an Investment Grade Rating or has no Credit Rating.

"Product" has the meaning specified in Appendix B.

"Ratings Agency" means any of S&P and Moody's (collectively the "Ratings Agencies").

"Registration" has the meaning specified in Section 2.1.

“Replacement Capacity” has the meaning specified in Section 2.2.

“Replacement Capacity Price” means the market price for Product reasonably equivalent to the Product not provided by Seller under this Confirmation, as determined in the manner upon which market prices are determined under Section 5.2(b) of the Master Agreement. For purposes of this Transaction and Confirmation, the “Replacement Capacity Price” shall be deemed to be the “Replacement Price” as defined in Section 1.51 of the Master Agreement.

“Seller” is as identified in Appendix B of this Confirmation.

“S&P” means Standard & Poor’s Financial Services LLC.

“Term” has the meaning specified in Appendix B.

“Transfer Completion Email” has the meaning specified in Section 2.1.

**APPENDIX B
TERM, PRODUCT, DELIVERY PERIOD, CONTRACT QUANTITY,
AND CONTRACT PRICE**

Seller	Silicon Valley Clean Energy Authority
Buyer	Southern California Edison Company

Term	The Term of this Transaction shall commence upon the Confirmation Effective Date and shall continue until delivery by Seller to Buyer of the Contract Quantity of Product has been completed and all other obligations of the Parties under this Agreement have been satisfied.
Product	Import Capability Rights
Delivery Point	CAISO Branch Group corresponding to the CAISO Intertie, MALIN500_ISL
Delivery Period	July 1, 2024 through September 30, 2024, inclusive, unless terminated earlier in accordance with the terms of this Agreement.

Contract Month	Year	Contract Quantity (MW)	Contract Price (\$/kW-month)
January			
February			
March			
April			
May			
June			
July	2024	■	■
August	2024	■	■
September	2024	■	■
October			
November			
December			